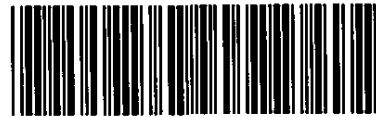


REGISTERED COMPANY NUMBER: SC413581 (Scotland)
REGISTERED CHARITY NUMBER: SC036207

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE
PERIOD 21 DECEMBER 2011 TO 31 JULY 2012
FOR
EAST NEUK FESTIVAL

SATURDAY



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20/07/2013

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COMPANIES HOUSE

Barstow & Millar
Chartered Accountants
Midlothian Innovation Centre
Pentlandfield
Roslin
MIDLOTHIAN
EH25 9RE

EAST NEUK FESTIVAL
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 21 DECEMBER 2011 TO 31 JULY 2012

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EAST NEUK FESTIVAL

REPORT OF THE TRUSTEES FOR THE PERIOD 21 DECEMBER 2011 TO 31 JULY 2012

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 21 December 2011 to 31 July 2012. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

INCORPORATION

The charitable company was incorporated on 21 December 2011.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC413581 (Scotland)

Registered Charity number

SC036207

Registered office

Fifth Floor
Princes Exchange
1 Earl Grey Street
Edinburgh
Lothian
EH3 9EE

Trustees

S Brown	- appointed 21.12.11
W S Henderson	- appointed 21.12.11
F H Hitchman	- appointed 21.12.11
A D M MacDonald	- appointed 21.12.11
Mrs L M P MacDonald	- appointed 21.12.11

Independent examiner

John D Ritchie CA
Barstow & Millar
Chartered Accountants
Midlothian Innovation Centre
Pentlandfield
Roslin
MIDLOTHIAN
EH25 9RE

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The East Neuk Festival is a charitable company limited by guarantee, incorporated on 21st December 2011. It was established under a Memorandum of Association which set out the objects and powers of the charitable company. It is governed under its Articles of Association. In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1.

Risk management

The Directors are currently conducting their own review of the major risks to which the Festival is exposed and systems will be established to mitigate those risks.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the Festival. These procedures are periodically reviewed to ensure that they still meet the needs of the Festival.

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EAST NEUK FESTIVAL
REPORT OF THE TRUSTEES
FOR THE PERIOD 21 DECEMBER 2011 TO 31 JULY 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

Changes to the Legal Structure of the Festival

From the 1 January 2012 the Trustees of ENF have changed the legal structure of the Festival. Up until 31 December 2011 ENF operated as an unincorporated association governed by its constitution where amongst other things the Trustees liability was unlimited. With the expansion of the Festival it has been apparent that this structure was inappropriate and going forward the Festival will operate as a company limited by guarantee and the former Trustees will take the role of Directors of the new Company. The financial year end of the Company will be to 31 July to bring it into line with when the festival is held.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Festival exists to promote and advance the education of the public in the study and practice of the arts, music, poetry, acting, dancing and similar arts and the cultivation of public appreciation of those arts in particular by means of presenting an annual arts festival and associated outreach and community projects.

The company aims to commission, present, promote, organise, provide, manage and produce concerts, recitals, musical pieces, performances, events, education programmes and recordings in the East Neuk of Scotland within a programming policy that disregards exclusivity of style, genre and historical precedent, and actively encourages collaboration with other performing arts platforms, theatre, dance, performance art, film, new and other media art-forms.

EAST NEUK FESTIVAL

REPORT OF THE TRUSTEES FOR THE PERIOD 21 DECEMBER 2011 TO 31 JULY 2012

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Activities and Achievements

The principal activity of the East Neuk Festival in the 7 months from 1 January to 31 July 2012 was the planning and delivery of the 2012 Festival, and forward planning for the 2013 Festival.

Artistically and operationally, ENF 2012 was the most ambitious festival we have yet undertaken. 109 Musicians performed more than 75 pieces of music ranging from Anglo-Saxon to new commissions. We introduced a new strand of literary events programmed by the distinguished team of Catherine Lockerbie and Jenny Brown (both former directors of the Edinburgh International Book Festival) and six leading authors - including Richard Mabey - talked, discussed, read and interacted with audiences. 5 artists created new works of visual art. New venues included a woodland, a library, a pub. ENF took the important step of staging an event in Cambo Barn. New partnerships were struck with Live Music Now with whom we jointly provided free live music in old people's homes and on the streets of the East Neuk. We continued many successful relationships e.g. with the Honey Pot Cafe who once again hosted the annual sand sculpture, and Crail Festival who benefitted from the sculpture being left in situ for the duration of its event as an additional attraction.

Average attendance at ticketed events was 91% of capacity, and overall attendance was the highest in the Festival's history.

Audience satisfaction was exceptionally high: 92.6% said that they were 'extremely' or 'quite' satisfied, and 100% said they would recommend the festival to a friend. (Source, ENF post - festival audience survey).

ENF achieved this in the face of the most considerable challenges it has ever had to deal with, mostly created by the weather. The wettest June on record was succeeded by the worst 5 days of weather we have experienced since the festival began in 2004. The festival was entirely accident-free, and all challenges fell well within our risk planning. No events were cancelled.

Refer to Table overleaf;

FINANCIAL REVIEW

Reserves policy

The Directors believe they should hold reserves equivalent to three months operating expenditure. While the Festival holds reserves which are less than this target, the Directors are confident that grant and sponsorship funding, in addition to ticket sales, will be sufficient in the next and future years to allow the Festival to continue.

Principal funding sources

The various sources of funding received to meet our objectives were expended in accordance with the terms and conditions contained within the Funding Agreements. There was a deficit in funding of £23,789 within this financial period.

The sources of grant funding during the year were Creative Scotland and Fife Council. There was also significant sponsorship by individuals and other charitable Trusts

2009	2010	2011	2012
Total of 20 events NB – In the Dark = 42 performances	Total of 18 events NB – Holiday Line projections = 42 performances	Total of 19 events	Total of 26 events
15 music events 3 site-specific readings 3 downloads of electronica	14 music events 1 exhibition 1 commissioned film 2 sand sculpture projects 1 community involvement project	15 music events 1 artist talk 1 exhibition 2 sand sculpture projects	18 music events 6 Littoral events 1 exhibition 2 art works 1 sand sculpture
Audience 5265	Audience 8500	Audience 6307	Ticketed audience 5390 Verified unticketed audience: 18350
Folk. Traditional, electronic, world, readings, contemporary and classical music, collaborations and site specific events	Chamber, vocal and orchestral music, jazz and world, electronic, sand sculpture, film and exhibition	Chamber, orchestral, soloists and vocal music, sand sculptures and exhibition	Chamber, orchestral, soloists and vocal music, literary events, guided walks, sand sculptures and exhibition
13 Venues	6 Venues + a beach + a street	9 Venues + a beach + a street	9 venues + woodand, coastal path + street

EAST NEUK FESTIVAL

REPORT OF THE TRUSTEES
FOR THE PERIOD 21 DECEMBER 2011 TO 31 JULY 2012

FUTURE DEVELOPMENTS

Festivals will continue to be run in the East Neuk.

ON BEHALF OF THE BOARD : Angus Donald Mackintosh MacDonald

Angus Donald Mackintosh MacDonald

Trustee

Date: *19th June 2013*

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
EAST NEUK FESTIVAL

I report on the accounts for the period 21 December 2011 to 31 July 2012 set out on pages six to nine.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



John D Ritchie CA
Barstow & Millar
Chartered Accountants
Midlothian Innovation Centre
Pentlandfield
Roslin
MIDLOTHIAN
EH25 9RE

Date: 19 - 6 - 2013

EAST NEUK FESTIVAL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 21 DECEMBER 2011 TO 31 JULY 2012

	Notes	Unrestricted funds £
INCOMING RESOURCES		
Incoming resources from generated funds		174,306
Voluntary income		52,053
Activities for generating funds	2	24
Investment income	3	
Total incoming resources		226,383
 RESOURCES EXPENDED		
Costs of generating funds		22,541
Costs of generating voluntary income		
Charitable activities	4	220,531
Events		7,100
Governance costs		
Total resources expended		250,172
NET INCOMING/(OUTGOING) RESOURCES		(23,789)
 RECONCILIATION OF FUNDS		
Total funds brought forward		52,072
TOTAL FUNDS CARRIED FORWARD		<u>28,283</u>

The notes form part of these financial statements

EAST NEUK FESTIVAL

BALANCE SHEET
AT 31 JULY 2012

	Notes	Unrestricted funds £
CURRENT ASSETS		
Debtors	7	36,508
Cash at bank		40,901
		77,409
 CREDITORS		
Amounts falling due within one year	8	(49,126)
NET CURRENT ASSETS		28,283
TOTAL ASSETS LESS CURRENT LIABILITIES		28,283
NET ASSETS		28,283
 FUNDS	9	
Unrestricted funds		28,283
TOTAL FUNDS		28,283

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 July 2012.

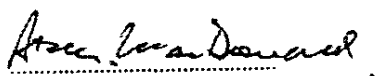
The members have not required the charitable company to obtain an audit of its financial statements for the period ended 31 July 2012 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 19th June 2013 and were signed on its behalf by: Angus Donald Mackintosh MacDonald.


Trustee

The notes form part of these financial statements

EAST NEUK FESTIVAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 21 DECEMBER 2011 TO 31 JULY 2012

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. ACTIVITIES FOR GENERATING FUNDS

	£
Shop income	795
Ticket sales	49,828
Performance fees	1,430
	<u>52,053</u>

3. INVESTMENT INCOME

	£
Deposit account interest	24
	<u>24</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct costs	Totals
	£	£
Events	<u>220,531</u>	<u>220,531</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

Mr Svend Brown is a Director of the company. He also acts as Artistic Director to East Neuk Festival in which capacity he received remuneration (7 months) of £9,500.

Trustees' expenses

Mr Svend Brown incurred expenditure on behalf of the Festival which was reimbursed of £1,649 (7 months).

EAST NEUK FESTIVAL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE PERIOD 21 DECEMBER 2011 TO 31 JULY 2012

6. STAFF COSTS

	£
Wages and salaries	<u>43,638</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Other debtors	<u>36,508</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Other creditors	<u>49,126</u>

9. MOVEMENT IN FUNDS

	At 21.12.11 £	Net movement in funds £	At 31.7.12 £
Unrestricted funds			
General fund	52,072	(23,789)	28,283
	<u>52,072</u>	<u>(23,789)</u>	<u>28,283</u>
TOTAL FUNDS	<u>52,072</u>	<u>(23,789)</u>	<u>28,283</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	226,383	(250,172)	(23,789)
	<u>226,383</u>	<u>(250,172)</u>	<u>(23,789)</u>
TOTAL FUNDS	<u>226,383</u>	<u>(250,172)</u>	<u>(23,789)</u>

Funds were introduced on 1.01.2012 from the old East Neuk Festival unincorporated body.

10. RELATED PARTY DISCLOSURES

Mr Svend Brown is a Director of the company. He also acts as Artistic Director to East Neuk Festival in which capacity he received remuneration (7 months) of £9,500. Mr Brown incurred expenditure on behalf of the Festival which was reimbursed of (7 months) £1,649.