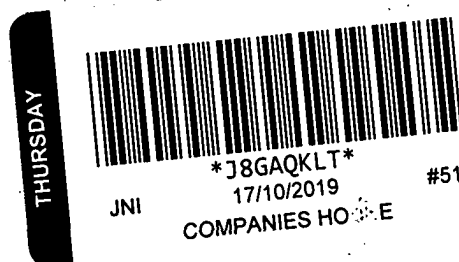
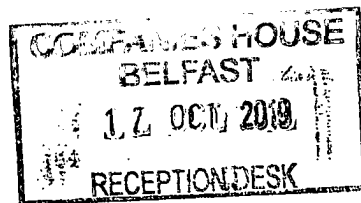


Charity Registration No. NIC103560

Company Registration No. NI631354 (Northern Ireland)

BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
LEGAL AND ADMINISTRATIVE INFORMATION

Directors	J Fay L M Johnston S A Kelso-Robb MBE Professor J McCoy SFHEA FCMI P Keogan Professor K E O'Neill	(Appointed August 2018) (Resigned August 2019)
Secretary	R Wakely	
Charity number	NIC103560	
Company number	NI631354	
Registered office	Cathedral Quarter Managed Workspace 109/113 Royal Avenue Belfast Co. Antrim BT1 1FF	
Auditor	Harbinson Mulholland Centrepont 24 Ormeau Avenue Belfast Co. Antrim Northern Ireland BT2 8HS	
Bankers	Ulster Bank Limited 11-16 Donegall Square East Belfast BT1 5UB	
Solicitors	Cleaver Fulton Rankin 50 Bedford Street Belfast Co. Antrim Northern Ireland BT2 7FW	

BELFAST FESTIVAL T/A BELFAST INTERNATIONAL ARTS FESTIVAL CONTENTS

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BELFAST FESTIVAL

T/A BELFAST INTERNATIONAL ARTS FESTIVAL

CHAIRMAN'S FOREWORD

FOR THE YEAR ENDED 31 MARCH 2019

Belfast Festival, trading under the name *Belfast International Arts Festival*, is Ireland's leading multi-genre arts festival. Its transformation into an independently managed and more civically engaged event in 2015, was a reflection of our belief in the importance of global connectivity, local communities, public benefit and contemporary art practice to the well-being of Belfast and Northern Ireland. With our multi-disciplinary programme of contemporary arts and culture from around the globe, we seek to push boundaries and challenge perceptions, engage actively with audiences and communities around and beyond the city, and make a vital contribution to ensuring the rest of the world knows about the diversity of our cultural riches.

The 56th edition of Belfast International Arts Festival took place between 16th October and 3rd November 2018. Highlights included:

- 126 events from 12 countries
- 12 premieres
- Total audiences of 64,158
- 32,824 social media followers
- 22 free events
- 19 sold out events
- 88% of customers rated their overall experience as very good
- 94% of customers would recommend the event to others
- 43% of our audience come from within Belfast
- 57% of spectators from outside Belfast
- Of the 57%, 5% were visiting from GB, ROI and International
- 58% of all attenders were specifically visiting Belfast to attend Festival 2018

Not only did Festival 2018 see substantial and appreciative audiences, but there was a real sense of enjoyment and excitement about the events that took place throughout the run of the Festival. Things got off to a healthy start with the world premiere of Marie Jones' new play, *Dear Arabella*, which Festival co-produced with the Lyric Theatre. Several events exceeded their box office targets including for example, stage performances of *Nina – a Story of Me* and *Nina Simone* from Josette Bushell-Mingo and *Link Link* from Isabella Rossellini; talks by Mary Robinson and Dominic Grieve MP, and concert performances given by Eric Bibb and Angélique Kidjo.

Festival showcased over 126 events from 12 countries and featured 12 world, UK and Irish premieres. We marked several key anniversaries including the 50th anniversary of both the Lyric Theatre and Queen's Film Theatre and the centenary of the birth of the American composer and conductor, Leonard Bernstein. Our programme reached beyond the city centre with for example, the family friendly *Handle with Care*, playing both Falls Park and CS Lewis Square.

Artworks and stage performances from local artists were a strong presence throughout the Festival and in addition to the aforementioned *Dear Arabella*, there was a positive response to plays from Brassneck Theatre (Gibraltar Strait) and Big Telly (Freak Show); exhibitions and installations from choreographer, Oona Doherty (*Death of the Hunter*), Neil Shawcross and the annual group exhibition presented by the Royal Ulster Academy, and a variety of music from Larks, Tony Wright, Ken Haddock, David Quigley, the Ulster Orchestra and Cathal Breslin.

Festival Artist in Residence, Suzanne Lacy, produced a memorable and major film and audio installation (*Across and In-Between*) at the Ulster Museum, which was complemented by The Border People's Parliament at Stormont for participants featured in the film installation. Special screenings for border communities took place in March at Castlesanderson, Pettigo and Enniskillen.

2018's programme demonstrated why for 56 years, Festival has been Belfast's leading platform for great art and great artists from home and abroad. Crucially, it continues to provide a safe space for discussion, debate and dialogue on the world around us and our place in it – for audiences and artists alike. We have placed ourselves at the heart of discovering, debating and understanding the diversity of contemporary arts and ideas from every corner of the globe.

BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
CHAIRMAN'S FOREWORD (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

A key characteristic of the annual Festival programme is the inclusion of contemporary works whose subjects resonate with the everyday lives of our audiences and participants and where appropriate promote new ways of thinking and doing. Examples in 2018 included the performance, and ancillary outreach programme, from *Stroke Odysseys* which featured stroke survivors on stage, through to Angélique Kidjo's rousing performance at the Grand Opera House and Josette Bushell-Mingo's tour de force performance on contemporary race relations, *Nina – A Story About Me* and *Nina Simone* at the MAC.

Festival invests in, develops and promotes the best of local talent, so they can acquire new skills, enhance their reputations and build meaningful careers. Examples in 2018 included our largest single commission, *Across and In-Between* by US based artist, Suzanne Lacy in partnership with a range of local artists and border residents; our co-production of *Dear Arabella* by Marie Jones at the Lyric; and the 2nd edition of the New Playwrights Programme in association with the Lyric (the 3rd edition, due this October, attracted 119 script entries from a public open call).

Festival once again worked closely with core stakeholders, *Arts Council of Northern Ireland*, *Belfast City Council*, *British Council* and *Tourism Northern Ireland*, and programming/project partners *14-18 NOW WW1 Centenary Art Commissions*, *Government of Ireland* and *Institut Français Royaume-Uni* to deliver one of its most successful editions.

Over the past 56 editions, Festival has become Northern Ireland's leading international cultural event. While it strives to be international in its outlook it remains grounded in the city of Belfast, committed to delivering extensive cultural, economic and social benefits to the people that live in and visit Belfast. Despite this artistic and popular success, Festival, like most of Northern Ireland's arts and cultural organisations remains highly vulnerable in the current uncertain economic and political circumstances.

Finally, I would like to thank my fellow Directors and the staff of **Belfast Festival** who give generously of their time and commitment in supporting the Festival and in working to ensure that it continues to thrive.

Professor J McCoy SFHEA FCMI

Chairman

Dated:

24/9/19

BELFAST FESTIVAL

T/A BELFAST INTERNATIONAL ARTS FESTIVAL

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The Directors present their report and financial statements for the year ended 31 March 2019.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

In setting our objectives and planning our activities for the year the trustees have given careful consideration to the Charity Commission for Northern Ireland's guidance on public benefit to ensure that the activities have helped to achieve the charity's purpose and provide a benefit for the beneficiaries.

Our mission is to be the preeminent, progressive international arts event within Northern Ireland, actively engaging both global and local communities in the richness and diversity of contemporary arts practice. With our partners throughout the entire city, we seek to create a distinctive environment for audiences to enjoy and participate in inspirational and transformative aesthetic experiences from world-class artists, thinkers and leaders.

We do this by:

- Presenting a wide range of contemporary arts and cultural events of the highest possible international standard to the widest possible audiences from home and abroad
- Reflecting contemporary culture from across the globe to audiences from Belfast, Northern Ireland as well as visitors to Northern Ireland
- Offering an international showcase for the best of Northern Ireland contemporary culture
- Presenting events which cannot easily be achieved by any other UK or Irish arts organisation through innovative programming and a commitment to creating new work
- Actively ensuring equal opportunities and access for all sections of our communities to directly experience, participate in and enjoy the Festival
- Collaborating and partnering with arts and community organisations across Belfast to create an annual city wide, cultural celebration
- Ensuring the Festival has adequate financial resources and expertise to fulfil its mission and address its overall sustainability

Our guiding principles reflect the importance of:

- Global connections
- Access and participation
- Community
- Collaboration and partnership

The Directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

Achievements and performance

The 56th edition of Belfast Festival, its fourth as the independently rebranded *Belfast International Arts Festival* featured 126 events (2018 – 191) from 12 countries (2018 – 14) over 19 days (2018 – 23). The total audience attendance was 64,158 (2018 – 180,000 due to a series of high profile events including 'Poppies: Weeping Window' at the Ulster Museum) and included 22 free events (2018 – 28) with an average ticket price for paid events of £10.40 (2018 – £9.22).

Financial review

An artistically strong performance combined with the aforementioned attendances has enabled Belfast Festival to maintain its £50,000 level of designated reserves leaving a balance of £10,345 (2018 - £13,370), which has been designated to support the 2019/20 activities of the charity.

BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

Reserves policy

It is the policy of Belfast Festival to create and maintain unrestricted reserves at a level which balances our objectives to develop and support artists and artistic projects with our need to remain financially stable. The Festival Director & Chief Executive advises the Board of Directors at the financial year-end of the scope for setting aside funds and building the balance sheet accordingly.

Three categories of reserves are considered by the Directors to be desirable:

1. A minimum level of free reserves equating to at least four (4) months of annual support/core expenditure is considered sufficient to cover management, administration and overheads, and to respond to emergency needs which arise from time to time.
2. An additional provision of free reserves for unforeseen liabilities, such as unanticipated reductions or cuts in public funding.
3. A designated reserve for artistic research and development, which might include commissioning, presentation and producing of events and projects.

Reserves may also from time to time be used to finance key artistic projects, to meet specific financial challenges or difficulties and any other purpose that the Board of Directors may deem necessary.

In addition there may be a need to designate certain sums from free reserves for anticipated expenditure in the short to medium term. This would generally be for capital expenditure and will be specified in the notes to the annual accounts.

The Directors acknowledge that it will take time to accumulate such reserves as described above but commits itself to doing so in a timely and considered manner. As at 31 March 2019 the charitable company has £20,000 (2018 - £20,000) in designated funds in respect of category 1 above, £30,000 (2018 - £30,000) in respect of category 3 and £10,345 has been designated to support the activities of the charity in 2019/20.

Risk management

The charitable company has a risk management strategy that is regularly monitored and identifies all potential risks and challenges and steps that are taken to mitigate or reduce them. Major issues going forward include the continuing difficult economic climate, which is particularly reflected in a decline in financial support for arts and culture from both the public and private sectors. In addition the ongoing uncertainty around the process for the United Kingdom to leave the European Union brings with it particular financial and operational challenges for an event that is avowedly international in its outlook.

Structure, governance and management

The Belfast Festival is a company limited by guarantee and a registered charity. It is governed by a voluntary Board of Directors, who normally meet every two to three months.

The Directors who served during the year and up to the date of signature of the financial statements were:

J Fay

L M Johnston

S A Kelso-Robb MBE

Professor J McCoy SFHEA FCMl

P Keogan

(Appointed August 2018)

Professor K E O'Neill

(Resigned August 2019)

None of the Directors has any beneficial interest in the company. All of the Directors are members of the company and guarantee to contribute £1 in the event of a winding up.

The Artistic Director and Chief Executive is Richard Wakely.

**BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
DIRECTORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2019

Statement of Directors' responsibilities

The Directors, who also act as trustees for the charitable activities of Belfast Festival, are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

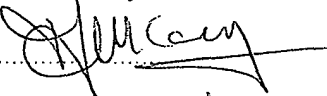
In accordance with the company's articles, a resolution proposing that Harbinson Mulholland be reappointed as auditor of the company will be put at a General Meeting.

The Directors' report was approved by the Board of Directors.

Professor J McCoy SFHEA FCMI

Director

Dated:


24/9/19

**BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTORS OF BELFAST FESTIVAL**

Opinion

We have audited the financial statements of Belfast Festival (the 'charitable company') for the year ended 31 March 2019 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Directors' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE DIRECTORS OF BELFAST FESTIVAL**

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

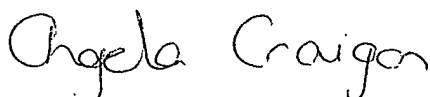
We have been appointed as auditors under section 65 of the Charities Act (Northern Ireland) 2008 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Angela Craigan FCA (Senior Statutory Auditor)
for and on behalf of Harbinson Mulholland
Chartered Accountants
Statutory Auditor**

Centrepoint
24 Ormeau Avenue
Belfast
Co. Antrim
Northern Ireland
BT2 8HS

Date: 25/9/19

Harbinson Mulholland is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<u>Income from:</u>					
Donations and legacies	3	8,657	768,033	776,690	602,287
Charitable activities	4	102,449	-	102,449	164,291
Total income		111,106	768,033	879,139	766,578
<u>Expenditure on:</u>					
Charitable activities	5	114,131	768,033	882,164	776,628
Net expenditure for the year/ Net movement in funds		(3,025)	-	(3,025)	(10,050)
Fund balances at 1 April 2018		63,370	-	63,370	73,420
Fund balances at 31 March 2019		60,345	-	60,345	63,370

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
STATEMENT OF FINANCIAL POSITION**

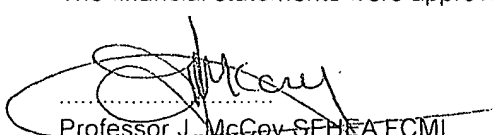
AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	10		7,774		2,442
Current assets					
Debtors	12	173,601		103,894	
Cash at bank and in hand		56,311		25,892	
		<u>229,912</u>		<u>129,786</u>	
Creditors: amounts falling due within one year	13	<u>(173,907)</u>		<u>(68,858)</u>	
Net current assets			56,005		60,928
Total assets less current liabilities			63,779		63,370
Creditors: amounts falling due after more than one year	14		(3,434)		-
Net assets			<u>60,345</u>		<u>63,370</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	17	<u>60,345</u>		<u>63,370</u>	
			60,345		63,370
			<u>60,345</u>		<u>63,370</u>

The Directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Directors on 24/9/19


Professor J. McCoy SFHEA FCMJ
Director

Company Registration No. NI631354

BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	21		40,720		12,126
Investing activities					
Purchase of tangible fixed assets		(10,301)		(2,567)	
Net cash used in investing activities			(10,301)		(2,567)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			30,419		9,559
Cash and cash equivalents at beginning of year			25,892		16,333
Cash and cash equivalents at end of year			56,311		25,892

BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

Belfast Festival is a private company limited by guarantee incorporated in Northern Ireland. It is governed by a Memorandum and Articles of Association and the liability of each member is limited to an amount not exceeding £1. The registered office is Cathedral Quarter Managed Workspace, 109/113 Royal Avenue, Belfast, Co. Antrim, BT1 1FF.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

**BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs 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.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Equipment, Fixtures & Fittings	25% and 33% on cost
--------------------------------	---------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**BELFAST FESTIVAL
T/A BELFAST INTERNATIONAL ARTS FESTIVAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

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2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Tangible fixed assets

The annual depreciation charges on fixed assets depends primarily on the estimated lives of each type of asset and estimates of residual values. The Directors regularly review these asset lives and change them as necessary to reflect current thinking and remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful lives is included in the accounting policies.

Debtors

Short term debtors are measured at transaction price, less any impairment. Impairment of such debtors involves some estimation uncertainty.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Grants receivable	8,657	768,033	776,690	602,287
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
For the year ended 31 March 2018	-	602,287		602,287
	<u> </u>	<u> </u>		<u> </u>
Grants receivable for core activities				
Arts Council of Northern Ireland (ACNI)	-	218,133	218,133	219,498
Belfast City Council (BCC)	-	99,000	99,000	129,000
British Council	-	40,000	40,000	40,000
Tourism NI	-	115,000	115,000	150,000
Irish Government	-	-	-	45,789
14-18 NOW - Imperial War Museum	-	295,900	295,900	10,000
Institut Francais	8,657	-	8,657	8,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	8,657	768,033	776,690	602,287
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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4 Charitable activities

	2019 £	2018 £
Box office income	85,141	102,873
Service provision	17,308	2,818
Sponsorship	-	55,000
Programme partnerships	-	3,600
	<u>102,449</u>	<u>164,291</u>
Analysis by fund		
Unrestricted funds	<u>102,449</u>	
For the year ended 31 March 2018		
Unrestricted funds		159,891
Restricted funds		4,400
		<u>164,291</u>

5 Charitable activities

	2019 £	2018 £
Activities undertaken directly	680,134	572,746
Share of support costs (see note 7)	189,144	191,869
Share of governance costs (see note 7)	12,886	12,013
	<u>882,164</u>	<u>776,628</u>
Analysis by fund		
Unrestricted funds	114,131	
Restricted funds	768,033	
	<u>882,164</u>	
For the year ended 31 March 2018		
Unrestricted funds		169,941
Restricted funds		606,687
		<u>776,628</u>

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6	Net movement in funds	2019	2018
		£	£
	Net movement in funds is stated after charging/(crediting)		
	Fees payable to the company's auditor for the audit of the company's financial statements	4,740	4,729
	Depreciation of owned tangible fixed assets	4,969	2,658
		<u> </u>	<u> </u>

7	Support costs	Support costs	Governance costs	2019	2018	Basis of allocation
		£	£	£	£	
	Staff costs	159,842	-	159,842	165,022	
	Depreciation	4,969	-	4,969	2,658	
	Professional fees	1,786	-	1,786	2,573	
	Expenses and travel	2,575	-	2,575	1,666	
	Rent and services	13,905	-	13,905	13,896	
	Office costs	6,067	-	6,067	6,054	
	Audit fees	-	4,740	4,740	4,729	Governance
	Accountancy	-	8,146	8,146	7,284	Governance
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	
		189,144	12,886	202,030	203,882	
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	
	Analysed between					
	Charitable activities	189,144	12,886	202,030	203,882	
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	

Governance costs includes payments to the auditors of £4,740 (2018 - £4,729) for audit fees and £8,146 (2018 - £7,284) for non-audit services.

8 Directors

There were Directors' expenses of £Nil paid during the year (2018 - £104). This was received by zero Director (2018 - one) for reimbursement of entertainment expenses (2018 - reimbursement of entertainment expenses).

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9 Employees

Number of employees

The average monthly number employees during the year was:

2019 Number	2018 Number
4	3
<u>4</u>	<u>3</u>

Employment costs

	2019 £	2018 £
Wages and salaries	143,012	148,142
Social security costs	11,950	9,255
Other pension costs	4,880	7,625
	<u>159,842</u>	<u>165,022</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2019 Number	2018 Number
£60,000-£69,999	1	1
	<u>1</u>	<u>1</u>

10 Tangible fixed assets

	Equipment, Fixtures & Fittings £
Cost	
At 1 April 2018	8,757
Additions	10,301
	<u>19,058</u>
At 31 March 2019	
Depreciation and impairment	
At 1 April 2018	6,315
Depreciation charged in the year	4,969
	<u>11,284</u>
At 31 March 2019	
Carrying amount	
At 31 March 2019	7,774
	<u>7,774</u>
At 31 March 2018	2,442
	<u>2,442</u>

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11	Financial instruments		2019	2018
			£	£
	Carrying amount of financial assets			
	Debt instruments measured at amortised cost		17,146	-
			<u></u>	<u></u>
	Carrying amount of financial liabilities			
	Measured at amortised cost		165,083	47,189
			<u></u>	<u></u>
12	Debtors		2019	2018
			£	£
	Amounts falling due within one year:			
	Trade debtors		17,146	-
	Prepayments and accrued income		156,455	103,894
			<u></u>	<u></u>
			173,601	103,894
			<u></u>	<u></u>
13	Creditors: amounts falling due within one year		2019	2018
		Notes	£	£
	Other taxation and social security		5,390	1,669
	Deferred income	15	3,434	20,000
	Trade creditors		31,299	19,760
	Other creditors		14,663	11,078
	Accruals		119,121	16,351
			<u></u>	<u></u>
			173,907	68,858
			<u></u>	<u></u>
14	Creditors: amounts falling due after more than one year		2019	2018
		Notes	£	£
	Deferred income	15	3,434	-
			<u></u>	<u></u>

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15 Deferred income

	2019 £	2018 £
Arising from government grants	-	20,000
Other deferred income	6,868	-
	<u>6,868</u>	<u>20,000</u>

Deferred income is included in the financial statements as follows:

	2019 £	2018 £
Current liabilities	3,434	20,000
Non-current liabilities	3,434	-
	<u>6,868</u>	<u>20,000</u>

Deferred income relates to a capital grant received in the year and the balance will be released in line with the depreciation policy.

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2018 £	Movement in funds Incoming resources £	Resources expended £	Balance at 31 March 2019 £
Arts Council of Northern Ireland - Exchequer Fund	-	92,293	(92,293)	-
Arts Council of Northern Ireland - Lottery Fund	-	121,000	(121,000)	-
Belfast City Council - CMAF	-	39,000	(39,000)	-
Belfast City Council - Parks & Leisure	-	20,000	(20,000)	-
Belfast City Council - International Initiatives	-	25,000	(25,000)	-
Belfast City Council - Amplifier Fund	-	15,000	(15,000)	-
British Council	-	40,000	(40,000)	-
Tourism NI	-	115,000	(115,000)	-
14-18 NOW - Imperial War Museum	-	295,900	(295,900)	-
ACNI equipment grant	-	4,840	(4,840)	-
	<u>-</u>	<u>768,033</u>	<u>(768,033)</u>	<u>-</u>

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17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Balance at 31 March 2019 £
	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	
Management reserve	20,000	-	-	-	20,000
Funding reserve	13,370	-	(13,370)	10,345	10,345
Research & development reserve	30,000	-	-	-	30,000
	<u>63,370</u>	<u>-</u>	<u>(13,370)</u>	<u>10,345</u>	<u>60,345</u>

18 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2019 are represented by:			
Tangible assets	7,774	-	7,774
Current assets/(liabilities)	56,005	-	56,005
Long term liabilities	(3,434)	-	(3,434)
	<u>60,345</u>	<u>-</u>	<u>60,345</u>

19 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	10,140	-
Between two and five years	11,830	-
	<u>21,970</u>	<u>-</u>

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20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019	2018
	£	£
Aggregate compensation	102,413	95,997

The charitable company considers its key management personnel to be the Artistic Director & Chief Executive, and the General Manager.

Other than remuneration of key management personnel, there were no disclosable related party transactions during the year (2018 - none).

21 Cash generated from operations	2019	2018
	£	£
Deficit for the year	(3,025)	(10,050)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	4,969	2,658
Movements in working capital:		
(Increase)/decrease in debtors	(69,707)	75,098
Increase/(decrease) in creditors	121,615	(580)
(Decrease) in deferred income	(13,132)	(55,000)
Cash generated from operations	40,720	12,126