

Charity Registration No. 1123036

Company Registration No. 06208453 (England and Wales)

LIVERPOOL CARNIVAL COMPANY LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017



LIVERPOOL CARNIVAL COMPANY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	R Morris M M Morris J C D Wells J Buckley D R Broudie
Charity number	1123036
Company number	06208453
Registered office	c/o Lonsdale & Marsh 7th Floor Cotton House Old Hall Street Liverpool L3 9TX
Independent examiner	Lonsdale & Marsh 7th Floor Cotton House Old Hall Street Liverpool L3 9TX

LIVERPOOL CARNIVAL COMPANY LIMITED

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LIVERPOOL CARNIVAL COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

The trustees present their report and financial statements for the year ended 30 September 2017.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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

The charity's objects are to put on a samba parade in Liverpool in the summer of each year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

In July 2017 the charity held its tenth annual samba parade in Liverpool and Brazilica 2017 was another great success, with bands from other countries again travelling to Liverpool to take part in the various events. Brazilica took place from 14 to 16 July 2017, and it is the only Brazilian music and culture festival of its kind in the United Kingdom.

The festival continued to be well attended, with growing audiences and participating number of performers.

For Brazilica 2017 we retained previous sponsors and attracted new sponsorship, all of which we hope to develop in the future as long term partners.

The charity again hosted a film festival in 2017, with screenings of Brazilian films at various venues in Liverpool throughout July.

In 2017 we had a new stage at the Pierhead village, on the Liverpool waterfront, which will be the new venue for the 2018 festival.

Preparations are underway for the 2018 carnival and we are continuing to establish links with Brazilian artists in the UK and Brazil to take the project forward. Our move into the old Edge Hill library, a new carnival arts space to engage the community and artists and create new collaborations has proved a great success, taking Brazilica on to the next level.

The trustees of the charity would like to record their thanks to the following organisations for their support:

Arts Council England
Liverpool City Council

and to Pain Matters and Lonsdale & Marsh Chartered Accountants for their ongoing support.

Financial review

The charity received income of £51,004 during the year from donations and legacies, and incurred expenditure of £50,784. The trustees are pleased to report that there was a surplus for the year of £220. The trustees anticipate continued growth in 2018.

Reserves remain at an appropriate level for the foreseeable future.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

LIVERPOOL CARNIVAL COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

R Morris

M M Morris

J C D Wells

J Buckley

D R Broudie

The trustees of the charity were selected and appointed on the basis of their potential involvement in the carnival and for the particular skills and experience they have to offer the charity.

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

The Board of Trustees meet on a regular basis to discuss the activities of the charity.

The trustees' report was approved by the Board of Trustees.



M M Morris

Trustee

Dated: 26 June 2018

LIVERPOOL CARNIVAL COMPANY LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF LIVERPOOL CARNIVAL COMPANY LIMITED

I report to the trustees on my examination of the financial statements of Liverpool Carnival Company Limited (the charity) for the year ended 30 September 2017.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

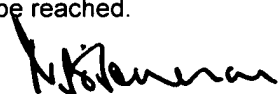
Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



N J O'Donovan
Chartered Accountant

Lonsdale & Marsh
7th Floor
Cotton House
Old Hall Street
Liverpool
L3 9TX

Dated: 26 June 2018

LIVERPOOL CARNIVAL COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income and endowments from:</u>					
Donations and legacies	3	6,323	43,481	49,804	54,652
Other income	4	1,200	-	1,200	1,050
Total income		7,523	43,481	51,004	55,702
<u>Expenditure on:</u>					
Raising funds	5	2,648	-	2,648	2,293
Charitable activities	6	4,655	43,481	48,136	47,720
Total resources expended		7,303	43,481	50,784	50,013
Net income for the year/ Net movement in funds		220	-	220	5,689
Fund balances at 1 October 2016		10,906	-	10,906	5,217
Fund balances at 30 September 2017		11,126	-	11,126	10,906

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.

LIVERPOOL CARNIVAL COMPANY LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2017

	Notes	2017 £	£	2016 £	£
Current assets					
Debtors	10	1,466		9,361	
Cash at bank and in hand		10,056		3,295	
		<u>11,522</u>		<u>12,656</u>	
Creditors: amounts falling due within one year	11	<u>(396)</u>		<u>(1,750)</u>	
Net current assets			11,126		10,906
Income funds					
Unrestricted funds			11,126		10,906
			<u>11,126</u>		<u>10,906</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees 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 Trustees on 26 June 2018



M M Morris
Trustee

Company Registration No. 06208453

LIVERPOOL CARNIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies

Charity information

Liverpool Carnival Company Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Lonsdale & Marsh, 7th Floor, Cotton House, Old Hall Street, Liverpool, L3 9TX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], 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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 September 2017 are the first financial statements of Liverpool Carnival Company Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees 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 trustees 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 charity.

1.4 Incoming resources

Income is recognised when the charity 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 charity 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.

LIVERPOOL CARNIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity 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.

1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT that is not recoverable.

1.6 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.

1.7 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

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.

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.

Derecognition of financial liabilities

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

LIVERPOOL CARNIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees 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.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Donations and gifts	6,323	-	6,323	14,718
Grants receivable	-	43,481	43,481	39,934
	<u>6,323</u>	<u>43,481</u>	<u>49,804</u>	<u>54,652</u>
For the year ended 30 September 2016	<u>14,718</u>	<u>39,934</u>		<u>54,652</u>

4 Other income

	2017	2016
	£	£
Other income	<u>1,200</u>	<u>1,050</u>

5 Raising funds

	2017	2016
	£	£
<u>Fundraising and publicity</u>		
Staging fundraising events	<u>2,648</u>	<u>2,293</u>
	<u>2,648</u>	<u>2,293</u>

LIVERPOOL CARNIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

6 Charitable activities

	2017 £	2016 £
Carnival expenses undertaken directly	48,136	47,720

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year in respect of their services as trustees.

8 Employees

There were no employees during the year.

9 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,466	9,361
Carrying amount of financial liabilities		
Measured at amortised cost	396	1,750

10 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Other debtors	1,466	9,361

11 Creditors: amounts falling due within one year

	2017 £	2016 £
Other creditors	396	1,750

12 Related party transactions

There were no disclosable related party transactions during the year (2016 - none).