

Charity Registration No. SC040137 (Scotland)

Company Registration No. SC341753 (Scotland)

BELTANE FIRE SOCIETY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

BELTANE FIRE SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Neil Barton	
	Sheona Dunsmore	
	Caroline Evans	(Appointed 16 June 2019)
	Bradley Mcarthur	
	Alex Nuttgens	
	Tom Watton	(Appointed 16 June 2019)
	Deanna Wolf	(Appointed 14 July 2020)

Secretary	Alex Nuttgens
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Charity number (Scotland)	SC040137
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Company number	SC341753
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Registered office	16 East Cromwell Street Edinburgh EH6 6HD
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Independent examiner	McFadden Associates Limited 19 Rutland Square Edinburgh EH1 2BB
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BELTANE FIRE SOCIETY

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BELTANE FIRE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees present their report and accounts for the year ended 31 December 2019.

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 Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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) (effective 1 January 2019)".

Objectives and activities

As set out in the Memorandum & Articles of Association, Beltane Fire Society's charitable objectives are set out as follows:

- to advance the education of the general public in the traditions of the Celtic lunar calendar fire festivals and their relevance to contemporary culture.
- to further an awareness of and promote participation in the Scottish traditions of street theatre, music and pageantry.
- to advance the performing arts through the development of skills in professional performance and production within a cooperative and collaborative environment

The main activities that have been carried out this year to help meet these objectives are; producing Beltane Fire Festival along with a family related event and Samhuinn Fire Festival along with a family related event. The main festivals have helped to develop performing arts skills within those that volunteer with us, while the family events have helped us engage younger people by getting them to participate in activities run by volunteers of BFS.

There were also two externally hosted events that our volunteers took part in; Jazz & Blues Festival in Edinburgh and a Mental Health Charity Ball. Attending these events helped us reach a wider audience than we might reach with our festivals alone and allowed us to further the public's awareness of street theatre in Scotland. The society hopes to continue taking part in third party events to help further promote awareness and encourage participation in such traditional Scottish activities.

Volunteers make a heavy contribution to carrying out the activities related to each festival being produced, so there was an event held to mark Yule 2019 with just members of the society. The board has estimated that on average, each festival attracts around 300 volunteers who put in between 40 - 96 volunteer hours to help ensure its success. Over the year, with other smaller events included, it is estimated that 24,000 - 57,600 hours are dedicated to the society from its volunteers. Without this contribution from the membership, the society couldn't have grown to what it is today and the board would like to express its deepest thanks for all those that have dedicated their time.

The society is aware that to ensure it can effectively carry out its planned activities to meet its charitable objectives, it is dependent upon good relationships with its volunteers, contracted workers and organisations with Edinburgh city. The board has worked hard over the last year to ensure these relationships remain on good terms, especially during negotiations with the City Council of Edinburgh in relation to the still relatively new venue change to Samhuinn Fire Festival.

BELTANE FIRE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Achievements and performance



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The Beltane Fire Festival celebrated its 32nd year with another good attendance for a weekday alongside its family Beltane held in the Scottish Storytelling Centre. The construction works from previous years were gone, which meant that capacity could be increased again, and that we worked in conjunction with the Collective Gallery restaurant on the hill to ensure their customers would be able to attend the festival. Overall, both from the feedback received and from the volunteers, the audience had a fantastic time.



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The Samhuinn Fire Festival was held on Calton Hill for the second year in a row and this time the capacity was increased from 5,000 to 8,000 people due to the popularity last year. Advance tickets sold out the day before as well, with 500 tickets available on the gate. The procession this time had 3 different paths, which we have realised caused confusion for both audience and volunteers, and it was noted that there were issues with the queuing system. Both of these issues will be useful in planning future Samhuinn Fire Festivals as we have still been finding our footing with it being a ticketed event on the hill.

BELTANE FIRE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019



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The society also held two family participation events in partnership with the Scottish Storytelling Centre, both arranged by volunteers of the society. Both events were ticketed and gathered good attendance from families, helping us reach more families to learn more about both Celtic traditions and performance arts. These events had activities such as paper-mache, story-telling, sing-alongs and dancing, all of which got the children and parents involved.

We were once again invited to the Jazz & Blues Parade held to celebrate the Jazz & Blues Festival held each year in Edinburgh. Some of our volunteers were also asked to perform at a Mental Health Charity Ball. The charity also received several requests to talk about what they do ranging from; university student projects, appearing on Edinburgh University Student Radio to giving an in-depth view of what we do to The Scottish Daily Mail. As always, we greatly appreciate the opportunity to work with other communities to advance both performance arts and educate about what we do as an organisation.

Beltane Fire Society was successful in being awarded funding from the Keep Scotland Beautiful development fund so that we could host conversations with our membership regarding our carbon footprint and how we could make our festivals more sustainable. We were able to hold two meetings with volunteers, discussing how we can improve our footprint as volunteers, at each festival, and as a charity overall. There were also meetings with other charities improving their carbon footprint who discussed what steps they had taken and how we could adopt those changes too.

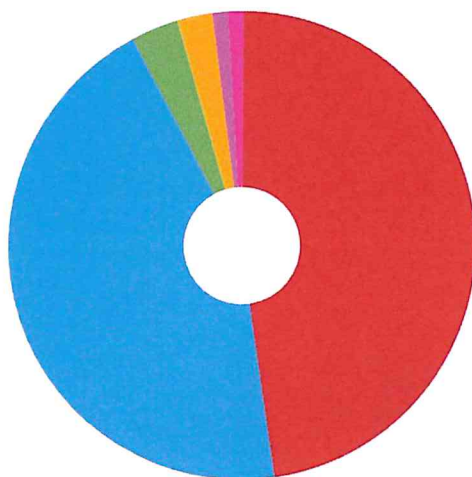
This year, the trustees continued to review the internal governance of Beltane Fire Society and adopted a new policy and procedures framework to assist in consistency and ability to review these documents. To continue improving how it meets its obligations to safeguarding, the board met with an external consultant several times in the year to discuss safeguarding issues and ways to improve the experience of our volunteers. Throughout the year, trustees attended events such as the Institute of Fundraising's Scottish Conference, the Green Arts Conference and ACOSVO's Trustee Conference to help further their knowledge and ensure BFS has a presence within Scotland's vibrant third sector.

BELTANE FIRE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Breakdown of Income

- Tickets - Beltane
- Tickets - Samhuinn
- Festival After Parties
- Donations
- Merchandise
- Other



In 2019, the total income from all activities undertaken was £126,706 of which £60,330 came from the ticket sales of the Beltane Fire Festival and £56,364 from Samhuinn Fire Festival. This was an increase compared to last year's Beltane ticket sales and an increase of Samhuinn ticket sales, partially due to the increased capacity this year. Overall, this helped to create a year-end surplus of £19,288.

The board expects to have further surpluses in the next few years due to the change of venue for Samhuinn, necessitating it becoming a ticketed event. The next few years have 30th April on weekdays, where, historically Beltane ticket sales have been lower than weekend festivals. As a counter to this, Samhuinn 2020 will be held on a Saturday and given the festival has sold out in 2018 and 2019, we expect tickets for this festival will make up any potential for a shortfall at future Beltane festivals.

There was £100,302 left as unreserved funds to be carried into the next financial year on 31st December 2019 compared to £86,932 from 2018. A separate, ethical, savings account has been opened and unreserved funds not required for the day-to-day running of the Society will be placed there to earn interest as agreed by the board.

Core Finances

The external events that BFS sent volunteers to, raised £257 for the society, even after the costs to the performers had been settled. Donations during the year, collected in person or online, totalled £3,095, while merchandise sales came to £1,384, and the Society's two 'After Party' events raised £4,223 before expenses.

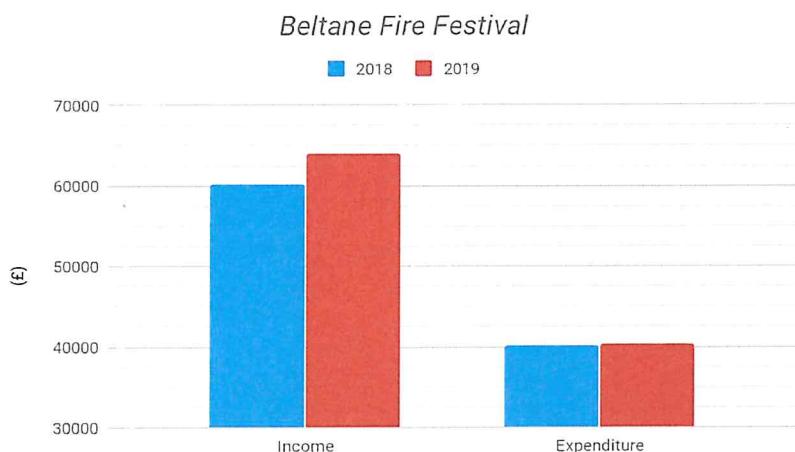
Core expenditure (overheads) increased compared to 2018, £27,099 against £20,345. The majority of expenditure in each year is the rental and upkeep of the premises and investments into our fundraising and safeguarding initiatives.

BELTANE FIRE SOCIETY

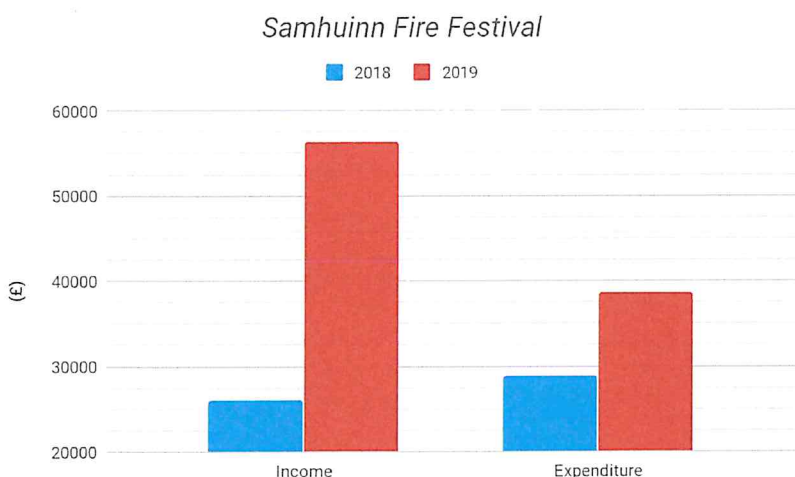
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Financial review

Festival Finances



The Beltane Fire Festival managed to raise £64,031 through ticket sales and donations from both the public and volunteers involved in the festival, which was an increase from 2018, £60,236. The running costs of the festival this year came to £40,264 compared to £40,120 in 2018.



The Samhuinn Fire Festival brought in more than last year, due to the increase in capacity resulting in a surplus of £21,106 compared to a deficit in 2018 of £166. With this positive change, the costs of running the festival also increased compared to last year: 2019 £38,673, 2018 £28,904.

Overall, the total income of the festivals amounted to £123,811, against the cost of hosting them at £78,938. This meant there was a surplus of £44,873 that could go towards core costs in 2019.

BELTANE FIRE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Reserves

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 around twelve month's expenditure (the cost of two festivals). The trustees consider 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 was the first year of a separate account for reserves, with previous years' money being kept in the operating bank account. This has made it easier for the board to ensure we meet our obligation under our Reserves Policy.

At the year end, the amount of unrestricted funds being carried forward into 2020 was £100,302. There are no designated funds within this, it is all unrestricted money that will be used to carry out the charitable objectives of the Society. Of this amount, £86,189 has been placed into the Reserves account the charity has with Triodos, while the remaining amount of £14,113 shall remain in the operating account to help fund activities at the start of 2020. As it is, the board is satisfied with the current level of reserves as it does fall within the range of expected expenses set out by their reserve's target for the charity.

The premises of BFS is being developed to allow our members to easily access items for BFS usage and we have now freed up one of the rooms which the trustees are planning on renting out in the new year to another organisation. The board of trustees will continue with the Fundraising & Income Generation Strategy for 2019 - 2024 to help ensure the financial sustainability and income diversification of BFS. They are also working on a Green Strategy for the charity to work towards becoming carbon neutral after the conversations with volunteers.

There are plans to hold an EGM in the new year to review some of the sections of the charity's Articles of Association, as they have not been reviewed in the last 10 years and require to be updated to fit with the charity as it operates now. On top of this, there are plans for continuing the work on Safeguarding for all volunteers, so Beltane Fire Society can ensure best practice and there will also be a consultation with members on how we can better cater to individuals with accessibility needs, both for volunteers and audience members.

In the foreseeable future, the charity intends to continue to hold its Beltane & Samhuinn Fire Festivals in 2020 and the trustees are in discussions on what the best way forward with Samhuinn is, in terms of location and format. There are also plans to continue the partnership between Beltane Fire Society and the Scottish Storytelling Centre with our family events, while looking at how we can support the engagement of families more, and also to engage more with other organisations to ensure we can reach as many communities as possible.

Structure, governance and management

Beltane Fire Society is a registered charity (SC040137) as well as a company (SC341753) limited by guarantee. The principal & registered office for the society is 16 East Cromwell Street, Leith, Edinburgh, EH6 6HD.

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

Neil Barton	
Rebecca Conway	(Appointed 16 June 2019 and resigned 25 May 2020)
Danny De Cruz	(Resigned 16 June 2019)
Karen Dickson	(Resigned 16 June 2019)
Sheona Dunsmore	
Caroline Evans	(Appointed 16 June 2019)
Erin Macdonald	(Resigned 16 June 2019)
Bradley McArthur	
Alex Nuttgens	
Neil Rhind	(Resigned 16 June 2019)
Tom Watton	(Appointed 16 June 2019)
Deanna Wolf	(Appointed 14 July 2020)

BELTANE FIRE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

At our Annual General meeting on 16th June 2019 all directors currently on the board at that time stood down and 3 directors were re-elected and 3 newly elected. Since then, there has been one addition of a co-opted Director who had previously been on the board.

Trustee Election & Selection

The majority of the directors are elected directors, chosen by the membership during the Annual General Meeting, having been advertised to the membership in advance of that meeting, where members can ask questions to determine the person's suitability for the role. A minority of the board members may be co-opted directors, who are appointed by the elected directors as required, in accordance with the company's memorandum & articles. There is also the ability for members to express an interest in joining the board, where they will supply the reasoning for why they should be co-opted, which will be discussed at a board meeting to determine whether or not the elected directors wish to co-opt this individual.

No specific skills or experience are required to stand as an elected director, though the desired skills and expected duties are circulated at the point applications are invited. Co-opted directors may be picked for their specific skills or experience, (i.e. extensive background knowledge relevant to our festivals or charity governance) to help fill any skills gap that the board determines it needs.

Structure

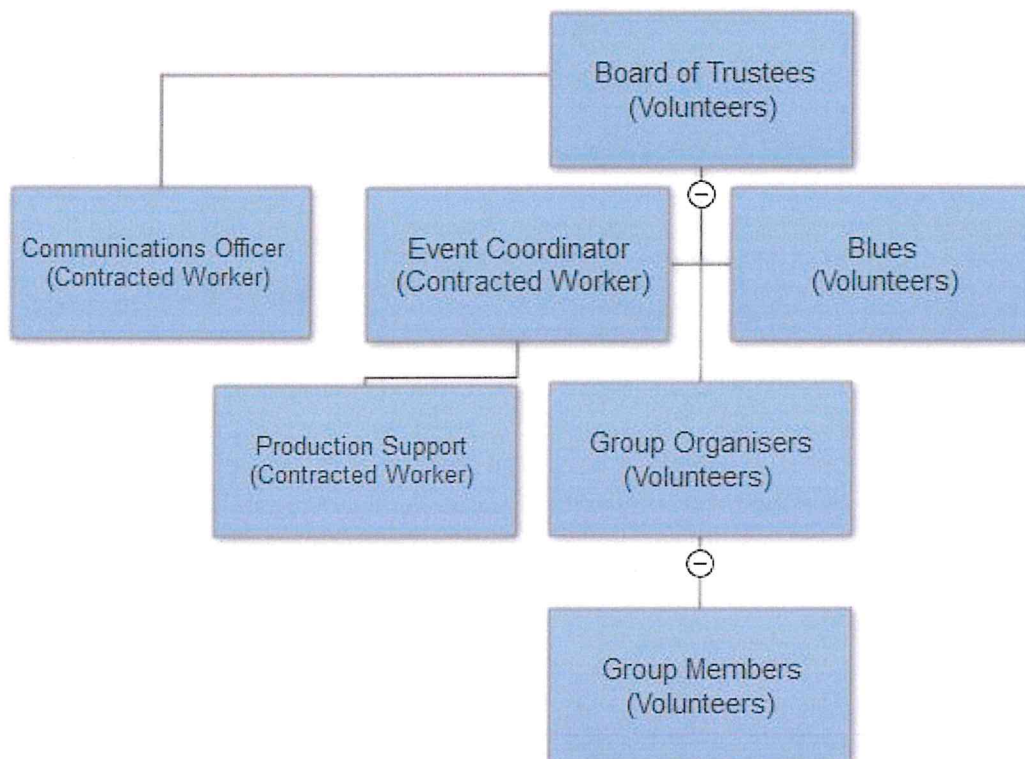
The charity has no employees and is instead run by its dedicated volunteers and members alongside four core contractors. The board of trustees are very hands on, focusing on both the strategic direction for the charity as well as being very operations based during the two key festivals that are held in the year. For each festival being held, the board delegates the day-to-day management responsibilities to the contracted Event Coordinator who is line-managed by a representative of the board. The board also delegates certain responsibilities to a contracted Production Support Officer as necessary, to ensure that the Event Coordinator and other volunteers in trusted positions feel supported on the run up to the festivals. A Communications Officer is also contracted throughout the year to support communications from the charity over social media and press. This year, there was also an additional contracted role, Operations Support, who was responsible for helping with running the festivals and supporting the board in managing the associated paperwork.

BELTANE FIRE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

The Event Coordinator and Production Support Officer work alongside a group of volunteers designated as 'Blues' who are chosen for their knowledge and respect for carrying on the traditions and stories of the society. This team works to guide the Group Organiser volunteers to craft their groups' stories, while ensuring they all fit the overall narrative of the festival and ensure all licences and other legal paperwork has been completed. The Group Organisers are then responsible for recruiting volunteers to help perform in their group at the festival. All this is summarised in the organisation chart below:



The Board, Blues and Event Coordinator meet once a calendar month. The board has been looking at setting up sub-committees with society volunteers to specifically deal with the following:

- Community Issues & Complaints
- Fundraising & Income Generation
- Premises Management

As of yet, none of these sub-committees have been set up.

Governance

Festival related decisions are made by a mixture of the board, contracted persons and BFS volunteers appointed to operational roles depending on the nature of the decisions. These decisions will either be made during official board meetings or will take place in a group organisers' meetings. Official business, such as issues of membership, the charity's finances, hiring contractors or changes in policies, will be carried out by members of the Board of Directors. This is done via regular meetings held throughout the year between each Annual General Meeting, usually once a month but can be more depending on circumstances. If a matter is considered significant enough, the board has the ability to call a General Meeting of the society's membership.

Trustees are able to claim back reasonable expenses if they are incurred on behalf of carrying out work for Beltane Fire Society. Contracted workers may only claim back expenses directly related to their role if there are funds in the relevant budget and it was appropriate to use them for the purchase in question.

BELTANE FIRE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Related Parties

Beltane Fire Society has a membership to SCVO and Arts & Business Scotland and one of the Trustees has an associate membership with the Institute of Fundraising. These memberships do not impact on the society itself but do allow the Trustees access to materials to ensure they are staying up-to-date with relevant developments in the third sector. No third-party person or organisation is entitled to appoint a Trustee other than those stated in the Trustee Election & Selection section.

Risk Management

The Trustees acknowledge that they have a responsibility to identify, assess and manage potential risks that could stop the charity achieving its aims or carrying out its strategies. The board have worked with various methods this year to help manage risks:

1. Risk assessments completed by GO's for each festival, detailing what risks they predict their group may face on the run up and during the night of our festivals
2. The Event Coordinator's event safety plan created with the Production Support Officer to oversee the each festival from start to finish
3. The Event Coordinator's debrief report (including the EPOG debrief)
4. Examining ways to improve our Safeguarding with external support and drafting a safeguarding policy for the coming year

The Trustees are satisfied that the adequate control measures and systems are in place to mitigate exposure to the major risks and are looking at controls to be put in place to manage lower case risks.

Funds held as custodian trustee

Beltane Fire Society does not hold any funds on behalf of others and has nothing to disclose in relation to this.

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



Bradley McArthur

Trustee

Dated: 8 October 2020

BELTANE FIRE SOCIETY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BELTANE FIRE SOCIETY

I report on the financial statements of the Charity for the year ended 31 December 2019, which are set out on pages 11 to 21.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) 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, and they 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 our attention.

Basis of independent examiner's report

My examination was carried out in accordance with the Statement of Standards for Reporting Accountants and 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 seeks explanations from the 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:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of Regulation 8 of the 2006 Accounts Regulations and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;

have not been met or

- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



David G Stewart CA

19 Rutland Square
Edinburgh
EH1 2BB

Dated: 8 October 2020

BELTANE FIRE SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted funds 2019 £	Unrestricted funds 2018 £
<u>Income and endowments from:</u>			
Donations and grants	3	3,595	1,895
Charitable activities	4	121,538	88,642
Investments	5	189	-
Other income	6	1,384	309
Total income		126,706	90,846
<u>Expenditure on:</u>			
Raising funds	7	874	-
Charitable activities	8	106,544	89,950
Total resources expended		107,418	89,950
Net income for the year/ Net movement in funds		19,288	896
Fund balances at 1 January 2019		93,633	92,737
Fund balances at 31 December 2019		112,921	93,633

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.

BELTANE FIRE SOCIETY

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	12		5,837		2,287
Current assets					
Stocks	13	4,826		-	
Debtors	14	3,524		5,654	
Cash at bank and in hand		100,302		86,933	
		<u>108,652</u>		<u>92,587</u>	
Creditors: amounts falling due within one year	15	<u>(1,568)</u>		<u>(1,241)</u>	
Net current assets			107,084		91,346
Total assets less current liabilities			<u>112,921</u>		<u>93,633</u>
Income funds					
Unrestricted funds			112,921		93,633
			<u>112,921</u>		<u>93,633</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 31 December 2019.

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.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 8 October 2020



Bradley McArthur
Trustee

Company Registration No. SC341753

BELTANE FIRE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Beltane Fire Society is a private company limited by guarantee incorporated in Scotland. The registered office is 16 East Cromwell Street, Edinburgh, EH6 6HD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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) (effective 1 January 2019)". 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 have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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.

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.

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.

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.

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.

BELTANE FIRE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised when a liability is incurred.

Charitable activities include expenditure associated with the staging of festivals and include both direct and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to the charitable activity on a basis consistent with their use.

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:

Leasehold improvements	12.5% straight line
Plant and machinery	20% straight line

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 Charity reviews the carrying amounts of its tangible and intangible 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

BELTANE FIRE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

1.10 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.

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 Charity's contractual obligations expire or are discharged or cancelled.

BELTANE FIRE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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 grants

	2019 £	2018 £
Donations and gifts	3,095	1,895
Climate Challenge Fund	500	-
	<u>3,595</u>	<u>1,895</u>

4 Charitable activities

	2019 £	2018 £
Sales within charitable activities	<u>121,538</u>	<u>88,642</u>
Analysis by fund		
Unrestricted funds	<u>121,538</u>	<u>88,642</u>

5 Investments

	Unrestricted funds	Total
	2019 £	2018 £
Interest receivable	<u>189</u>	<u>-</u>

BELTANE FIRE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

6 Other income

	2019 £	2018 £
Other income	1,384	309
	<u> </u>	<u> </u>

7 Raising funds

	Unrestricted funds	Total
	2019 £	2018 £
<u>Fundraising and publicity</u>		
Other fundraising costs	874	-
	<u> </u>	<u> </u>
	874	-
	<u> </u>	<u> </u>

BELTANE FIRE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

8 Charitable activities

	Staging of Celtic Quarter Day Festivals £	Total £	2018 £
After party costs	1,079	1,079	1,648
Contractors	11,225	11,225	11,320
Festival promotion	2,039	2,039	1,642
Insurance	4,214	4,214	565
Licences	11,708	11,708	9,848
Miscellaneous	-	-	874
Operations & Safety	24,582	24,582	18,916
Production costs	21,294	21,294	21,374
Room bookings	1,409	1,409	970
Volunteer expenses	2,270	2,270	2,449
Climate Challenge Fund	465	465	-
	<u>80,285</u>	<u>80,285</u>	<u>69,606</u>
Share of support costs (see note 9)	25,526	25,526	19,611
Share of governance costs (see note 9)	733	733	733
	<u>106,544</u>	<u>106,544</u>	<u>89,950</u>
Analysis by fund			
Unrestricted funds	<u>106,544</u>	<u>106,544</u>	<u>89,950</u>

BELTANE FIRE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Support costs

	Support costs	Governance costs	2019	Support costs	Governance costs	2018
	£	£	£	£	£	£
Depreciation	857	-	857	459	-	459
Insurance	3,405	-	3,405	1,075	-	1,075
Repairs and maintenance	2,905	-	2,905	2,381	-	2,381
Postage and stationery	57	-	57	102	-	102
Telephone	424	-	424	589	-	589
Rent	13,164	-	13,164	13,840	-	13,840
Sundries	1,058	-	1,058	1,165	-	1,165
Organisational Support	1,600	-	1,600	-	-	-
Safe Guarding	1,054	-	1,054	-	-	-
Carbon Offset Fund	1,002	-	1,002	-	-	-
Accountancy	-	720	720	-	720	720
Legal and professional	-	13	13	-	13	13
	<u>25,526</u>	<u>733</u>	<u>26,259</u>	<u>19,611</u>	<u>733</u>	<u>20,344</u>
Analysed between Charitable activities	<u>25,526</u>	<u>733</u>	<u>26,259</u>	<u>19,611</u>	<u>733</u>	<u>20,344</u>

10 Trustees

No trustee received remuneration for their role as Trustee, but 5 of them were reimbursed a total of £3,418 of expenses incurred in respect of the charitable activity.

11 Employees

There were no employees during the year.

BELTANE FIRE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

12 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 January 2019	3,586
Additions	4,407
	<u> </u>
At 31 December 2019	7,993
	<u> </u>
Depreciation and impairment	
At 1 January 2019	1,299
Depreciation charged in the year	857
	<u> </u>
At 31 December 2019	2,156
	<u> </u>
Carrying amount	
At 31 December 2019	5,837
	<u> </u>
At 31 December 2018	2,287
	<u> </u>

13 Stocks

	2019 £	2018 £
Finished goods and goods for resale	4,826	-
	<u> </u>	<u> </u>

14 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Other debtors	780	-
Prepayments and accrued income	2,744	5,654
	<u> </u>	<u> </u>
	3,524	5,654
	<u> </u>	<u> </u>

15 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	688	-
Accruals and deferred income	880	1,241
	<u> </u>	<u> </u>
	1,568	1,241
	<u> </u>	<u> </u>

BELTANE FIRE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

16 Events after the reporting date

As a result of the Covid-19 pandemic, it will not be possible for the society to stage any of our festivals in their normal format during 2020. Our two main festivals, Beltane Fire Festival and Samhuinn Fire Festival, will be online presentations with performance groups submitting videos of their interpretations of the Celtic festivals.

The Board of Trustees does not consider that the loss of income, whilst substantial, will affect the long-term viability and/or financial stability of the society.

17 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).