

Charity registration number 1074552

Company registration number 03685496 (England and Wales)

THE FOLKLORE SOCIETY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE FOLKLORE SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Prof O Davies Dr H Frisby Prof R P Jenkins Ms S Kingshill Prof P Lysaght
Secretary	Ms S Kingshill
Senior Librarian	Dr C Oates
Editor of Folklore	Dr J Hemming
Company number	03685496
Principal Office	50 Fitzroy Street London W1T 5BT
Registered office	Globe House Eclipse Park Sittingbourne Road Maidstone Kent ME14 3EN United Kingdom ME14 3EN
Independent examiner	M Wilkes FCA Azets Audit Services Globe House Eclipse Park Sittingbourne Road Maidstone Kent ME14 3EN
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Alan Murdie, LL.B. Barrister Nucleus Legal Advice 298 Old Brompton Road London SW5 9JF
Investment Managers	CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4ET

THE FOLKLORE SOCIETY

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THE FOLKLORE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and financial statements for the year ended 31 December 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

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 Society'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)" (effective 1 January 2019).

Objectives and activities

The Folklore Society was founded in 1878. It was one of the first organisations in the world to be devoted to the study of traditional vernacular culture. Its objectives are to foster folklore research and recording worldwide, and to make the results of these studies available to all persons whether members of the Society or not. With effect from the year 2001, membership of the Society was available both to institutions and individuals through subscription to its journal Folklore. This is on a joint-venture basis with the publisher, Taylor & Francis Plc. From 2003 the publication frequency was increased from twice to three times per year, and this was increased again to four times per year from 2017. The Society and Taylor & Francis Plc exercised their option to mutually renew the joint venture by entering into a new licence agreement for publication of Folklore for a further ten years with effect from 1 January 2017.

The Society operates its administrative facilities from 50 Fitzroy Street, London W1T 5BT, a building owned by The Royal Anthropological Institute. The Society's rights and obligations in respect of its occupancy at 50 Fitzroy Street are reflected in a licence agreement, underwritten by the Director of The Royal Anthropological Institute. Following renegotiation in 2022 the Society pays £10,000 per annum for its licence, updatable annually in line with inflation. The licensee and licensor are required to give twelve months' notice of termination. The current licence expires on 27 July 2029. Under this licence, Folklore Society members may visit the FLS Office by appointment to consult with the librarians and view the society's most recent folklore periodicals the reference books that are kept there.

Most of the Society's library is retained under a continuing custodial with University College London, which maintains the library on a retrieval basis and insures it at no cost to the Society. The membership of the Society is granted membership of the libraries of University College London at no additional cost in order that they may access and borrow books. The Society's Rare Books, Archives and Collections are housed at UCL Library Special Collections, currently in temporary quarters at the National Archives at Kew and will eventually move to a new location with UCL Special Collections. They are held and insured by University College London at no cost to the Society. They are accessible with notice and upon request. Artefacts are held on loan at other institutions and museums, and the Canziani paintings are held at UCL Special Collections.

Public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

THE FOLKLORE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

With the end of Covid-19 pandemic restrictions in 2022, most of the Society's in-person activities resumed and, as they had proved to be popular, on-line events also continued.

The Annual General Meeting 2022 was held on 28 June at 50 Fitzroy Street, in-person and on-line. Only the 16 members attending in person were eligible to vote at the AGM. Prof. Owen Davies delivered his Presidential Address 2022: 'The Witch of Endor: A Study in History and Folklore;' it was live-streamed to an audience of 259, an audio recording is freely available at <https://www.youtube.com/watch?v=-fpoGEnBuoc> and the article is published in *Folklore* in 2023.

Dr William Roberts stepped down as a Trustee, and Ms Sophia Kingshill was elected as Honorary Secretary and Trustee. Dr Helen Frisby was appointed as a Trustee and as Participation Officer. The following Council members were re-elected for 2022-25: Dr Jessica Hemming (Editor *Folklore*), Dr Ceri Houlbrook (Editor, *FLS News*).

Continuing members of Council: Prof. Owen Davies (President), Dr Matthew Cheeseman, Dr Paul Cowdell Dr Oliver Douglas, Dr Helen Frisby, Prof. James Grayson, Mr Jeremy Harte, Prof. David Hopkin, Dr Prof. Richard Jenkins (Hon. Treasurer), Ms Sophia Kingshill, Mr Nicolas Le Bigre, Prof. Patricia Lysaght (Vice-president), Mr Mark Norman, Dr William Roberts, Dr 'Doc' Rowe, Prof. Ian Russell, Dr Kate Smith, Dr Juliette Wood (Reviews Editor).

The society's Annual conference "Open Voices: Folklore for All, Folklore of All", held on-line 6-8 May, with 72 participants from around the world, included BSL deaf-sign storytelling and a keynote address by Prof. Sadhana Naithani: 'Since All are Never One: Margins, Borders and Folklore.'

In light of the success of this event, a follow-up one-day online conference 'Folklore for All' was held on 17 September, with 51 participants.

The conference "Fate and Prophecy in Legend and Tradition: The Sixteenth Legendary Weekend," in Knaresborough 3-4 September, was attended by 40 participants. These weekends are for both specialists and non-specialists in folklore and focus on a particular topic in a place outside of London.

The seventh annual 'Anthropology and Folklore in Conversation' joint symposium of the society with the Royal Anthropological Institute was postponed until 2023.

The flagship event for the Society is the annual Katharine Briggs Lecture, commemorating the work of this key figure in folklore scholarship. The 2021 Lecture was given on 8 November at Conway Hall, London, by author Kath Langrish: 'Fenrir's Fetter and the Power of Stories,' to an audience of c.60 people; Doc Rowe's recording of the lecture is free to download at <https://www.youtube.com/watch?v=ID3KbgJiimw>.

In 2022, the Society made various awards to promote the academic study of folklore. The prestigious Katharine Briggs Award, for the best book entered in folklore studies in the past year, was presented after the Katharine Briggs Lecture 2022, to Marina Montesano, for her book *Folklore, Magic and Witchcraft: Cultural Exchanges from the Twelfth to Eighteenth Century* (published by Routledge). There were 32 entries for the Katharine Briggs Award 2022.

Recognising the importance of supporting the growth of the next generation of folklore scholars, the Society awards the Estella Canziani Bursary for Post-Graduate Research (worth up to £1,000). Bursaries for 2022 were awarded to: Jessica Lloyd (PhD candidate, University of Nottingham): 'Folklore and Identity in Southwest England', and Georgina Rowe (PhD candidate, University of Birmingham): 'No longer "unwritten": British Traditional Folk Music and the Archive.'

The President's Prize of £100 is an annual award made for a student essay: in 2022 there were no entries.

A subvention of £1,230 was made to Open Book Publishing to support the publication of *Play in a Covid Frame*, by Anna Beresin and Julia Bishop.

THE FOLKLORE SOCIETY

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

FOR THE YEAR ENDED 31 DECEMBER 2022

In recognition of the University of Hertfordshire's work in promoting the academic study of folklore, the society supports the students on their MA in Folklore Studies by offering them the benefits of membership and access to our library collections at UCL.

In 2022, the Society benefited greatly from Dr Julia Phillips' paid internship funded by Bristol University, during which she transcribed years 1901-1904 of the Society's Minute Books, and co-organised and recorded the 'Open Voices' conference.

The regular on-line talks begun during the pandemic proved so popular that we continued these in 2022; audiences of 50-100 people, from many parts of the world, have attended these talks given by experts on a wide range of folklore topics, including: Prof. Felicity Wood, on 'Wealth-Giving Magic in Present-day South Africa;' Ross MacFarlane: 'Edward Lovett: A Forgotten Folklorist?'; Dr Juliette Wood: 'When Unicorns Walked the Earth,' and 'Night Fears and Nursery Lore, the Origins of the Sandman;'; Dr William Roberts: 'Traditions of British Army Uniforms: From Leek to Lego and Beyond;'; Dr Helen Frisby: 'The Sin-Eater: Lives and Afterlives;'; Prof. David Hopkin: 'Shepherdess Saints and Sinister Seigneurs: The Social History of a Local/Global Cult;'; Dr John Clark: 'The Green Children of Woolpit;'; Dr Chris Duffin: 'Fraisketten, or Convulsion Chains,' and 'Fossils in Myth, Legend and Lore;'; Dr Claire Ccollins: 'Pregnancy and Childbirth in Medieval England;'; Dr Ronald L. James: 'Cornwall's Knockers, Sea Monsters and Pesky Piskies;'; Rosalind Kerven: "'In the Beginning, All Wisdom was with the Animals: Exploring Native American Myths;'; Dr Paul Cowdell: 'Wights in Night Satin: Ghosts in Bedsheets;'; Prof. Richard Jenkins: 'What is Folklore?'; Dr Ceri Houlbrook: "'Dear Father Christmas": Tracing the Origins of a Folkloric Custom.'

These on-line talks were very well attended, both by the general public and society members (who benefit from discounted tickets) and attracted a diverse audience nationally and internationally (including participants from Europe, India, South Africa, Canada, USA), increasing the accessibility of the Society's programme of activities to participants who would struggle to attend an in-person Society event. We have a full programme of on-line bi-monthly talks for 2023 and speakers are now being invited for 2024.

The society devoted more resources to increasing its social media activity and expanded the digital resources available at <https://folklore-society.com>, including a number of recorded talks, and more Virtual Special Issues of *Folklore*. Folklore Society members benefit from a dedicated Members Only area of the website <https://folklore-society.com> where they can access: the entire digital archive of back issues of *Folklore* and its earlier titles from 1878 onwards via tandfonline.com, selected folklore journals from JStor.org, and the digital form of all back issues of *FLS News*.

The society's library received a bequest of 205 books, valued at £5,750, from the estate Mrs Jean Tsushima, former archivist of the society; a number of the books will be added to the Society's library at University College London in 2023, and duplicates will be donated to other libraries, including The Centre for Folklore, Myth and Magic in Todmorden, and the Folklore Library and Archive in Crediton. The 5-yearly re-valuation of the Society's Library (delayed in 2020 by the pandemic) was carried out in 2022, with an uplift of £20,000 worth of new acquisitions added to stock since the previous valuation in 2015. In 2022, 15 new accessions of FLS library books were added to UCL Library's online catalogue. The Folklore Society's library and archive collections at University College London continue to be regularly used by readers, including Folklore Society members, as well as students, and researchers both from the UK and international. There were 247 requests for items from the FLS collections: 14 from Folklore Society members, 8 from visiting scholars, 112 from UCL undergraduates, and 127 from UCL post-graduates and staff.

THE FOLKLORE SOCIETY

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

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review

Review of financial position

In terms of an overview of the results for the financial year 2022 as compared with 2021, the position can be summarised as follows:-

	£
Increase/(decrease) in net income for the year	1,758
Accounted for by:-	
Increase in total gross income	13,305
(Increase) in costs of charitable activities	(3,237)
Decrease in gains/(losses) on current asset investments	(8,310)

It is worth saying a few words about the broader picture, which is a little rosier than last year, largely due to modest increases in income from Taylor and Francis and JSTOR. The increased fixed costs associated with the move to the Royal Anthropological Institute required the Society re-evaluate its income-generating activities, on the one hand, and its costs, on the other, particularly those associated with administration and meetings. This is an ongoing process. The inhibition of our activities caused by the restrictions resulting from the Covid-19 pandemic was both a restraint and an opportunity in this respect: net income from all on-line activities in the trading subsidiary in the year, after Eventbrite fees and VAT have been paid, was £3,289 (2021: £3,485).

We are able to report that for 2022, allowing for the increase in the charity's office costs since leaving the Warburg Institute in 2019, there was net income of £61,003 achieved before recognising the movement in carrying value of the charity's current asset investment fund, compared to a net income in the previous year of £50,935. This includes £5,750 of donated heritage assets, along with the residual funds transferred on cessation of The Katharine Briggs Trust amounting to £45,482. For the 2022 financial reporting year, which represented a modest improvement on the preceding two years, we anticipate: continuing modest income from on-line activities; some continued saving in expenses payments arising from holding on-line meetings; and continued uncertainty arising from the increasing importance of open-access publishing within the Taylor and Francis income stream (see below).

After non-cash items (being revaluations on intangible and heritage assets), there was a net increase in charity funds for the year of £30,826, meaning that the carried forward reserves position as at 31 December 2022 amounted to £954,819 (2021: £823,993).

Folklore Enterprises Limited

The principal source of income of the Society and its trading subsidiary (Folklore Enterprises Limited) continues to be provided by the Folklore journal publishing arrangement with Taylor and Francis, a trading arm of Informa UK Ltd. This company is a wholly owned subsidiary of Informa plc, a company whose shares are quoted on the London International Stock Exchange. The Society's previous joint venture profit share agreement with Taylor and Francis expired on 31 December 2016 and was replaced from 1 January 2017 by a royalty-based agreement for ten years. This agreement is a fixed royalty based on forty (40) percent of net sales receipts as defined, with a guaranteed nonreturnable advance each year of £30,000 and an annual contribution towards editorial expenses of £16,080. The current agreement offers the Society more protection from the vagaries of prevailing market conditions. Payments under the agreement are made to the Society's trading subsidiary, Folklore Enterprises Limited, and the surplus profits are paid up to the Society by way of a gift aided donation. However, the increasing move to open-access publishing in academic journal publishing is an issue; the impact of this, one way or the other, on the Society's income is not yet clear (not even to Taylor and Francis).

The royalty payment from Taylor and Francis to Folklore Enterprises Limited in respect of 2022 was £57,454, a welcome increase of £7,368 on 2021 (£50,086).

The other principal source of cash income is the revenue paid to the Folklore Enterprises Limited by JSTOR. For 2022, Folklore Enterprises Limited received a royalty of USD \$16,507 (£13,206), another modest increase (2021: £11,851).

The surplus profits of Folklore Enterprises Limited are paid up to the Society by way of a gift aided donation. In 2022 £64,436 was paid, and therefore donated, to the Society (2021: £84,982).

THE FOLKLORE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Reserves policy

For a number of years now the financial strategy has been to maintain a day to day financial reserve (equivalent to net current assets) sufficient to meet roughly two years of running costs (covering employment costs of the Librarian and her assistant plus a license fee for office accommodation and other costs) in order to provide ample time for restructure should there be dramatic reductions in the income line in any future period. Based on the previous two years costs this would be equivalent to approximately £120,000. The net current assets position of £215,233 at 31 December 2022 was more than adequate to satisfy that strategy.

At 31 December 2022 there was a balance of £28,021 (stated at its current market value) in the COIF Charities Investment Fund with cash or near cash balances amounting to £192,825.

Although this has been interrupted by the pandemic, periodic meetings take place with Society's Fund Managers to review performance of the investments and if felt appropriate to effect changes in direction.

At 31 December 2022 the Society had unrestricted funds of £954,819 (2021: £923,993), of which £215,233 was general unrestricted funds available for day-to-day use (2021: £163,919).

There were no restricted funds as at 31 December 2022.

Risk management

In addition to accommodation costs, and the unpredictable fluctuations in royalty payments from Taylor and Francis, which the Trustees are managing with prudence, the Charity's other risks may be categorised into financial dependency, stewardship and staffing.

So far as financial dependency is concerned, there is the Society's obvious link to the financial good health of Taylor and Francis. In this regard, the financial performance of the parent Informa group presents no cause for concern at the moment. The Trustees sought to manage risk and future uncertainty in the Society's commercial arrangements with Taylor and Francis by concluding the ten-year agreement based on a royalty model with a minimum royalty payment that came into effect from 1 January 2017. The issues that this strategy is now raising (in respect of open access publishing etc.) have already been discussed.

In common with many charities the Society is heavily dependent upon being able to identify and then secure a stream of prospective Trustees and Officers who will take a lead in preserving the Society together with its aims and objectives for future generations.

This risk is being addressed by changes to governance which facilitate changes in the main officer group so that succession plans are in place for the next three- to five-year period at any point in time. This initiative is linked to a more general one of openly inviting participation by new and younger members to the Society by a natural process to fill all the key roles.

With respect to staffing, the Trustees keep the matter under review. Due to retirement plans, for example, it is likely that the next eighteen months will see some turnover and renewal in this respect. This will be an opportunity for reflection upon the Society's needs in terms of staffing.

Plans for the future

The Society continues to develop its programme of increasing and widening its personal membership and outreach, particularly amongst younger people and those who pursue the study of folklore both academically and for personal interest. It is also working to increase its collaboration with cognate societies and received support from other societies at its own events, or contributed to the support of events of similar societies.

THE FOLKLORE SOCIETY

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

FOR THE YEAR ENDED 31 DECEMBER 2022

Governance and management

The Society is a company limited by guarantee, founded in 1878 and incorporated in the UK under England and Wales (registration number 03685496) and has been granted charitable status (registration number 1074552).

The officers of the Society (President, Vice-President, Treasurer, Secretary and Participation Officer) are directors of the company and trustees of the charity. The officers act as the Management Board and have equal responsibility for the legally mandated affairs of the Society, including annual returns to Companies House and the Charity Commission. Officers also deal with on-going financial matters, staff, accommodation, links with Taylor and Francis who publish *Folklore*, and whatever other issues arise. The Society has accountants and solicitors to provide professional services as appropriate.

The Council of the Society, of which the officers are part, is responsible for non-mandated matters, such as the academic-related activities, including organising and participating in conferences and other events, acting as judges for various annual awards, and as members of ad-hoc working groups.

Trustees of the charity

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Prof O Davies

Dr H Frisby (appointed 4 March 2022)

Prof R P Jenkins

Ms S Kingshill (appointed 4 March 2022)

Prof P Lysaght

Dr W J Roberts (resigned 28 June 2022)

Appointment of trustees

The trustees of The Folklore Society are proposed by the Management Board, which consists of the Trustees and the Editor of *Folklore*, on the basis of any nominations received and seconded in accordance with the articles and memorandum of association. They are elected by votes on a show of hands at the Annual General Meeting. Proxy votes are cast in accordance with instructions from those absent but entitled to attend, by the President of the Society, who is always a Trustee of the Society. They are elected to serve a term of three years.

The directors of Folklore Enterprises Limited, the wholly owned subsidiary of The Folklore Society, are elected at the meeting of the directors of The Folklore Society. They represent the commercial interests of the Society in its trading subsidiary and comprise the Secretary and Treasurer of The Folklore Society.

Pay policy for key management personnel

The trustees consider the trustees and the senior management team to comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The key management individual who is involved in all decision-making and responsible for the day-to-day management of the charity is Dr C Oates, the Senior Librarian and administrative manager. All trustees give of their time freely and no trustee received remuneration in the year. The pay of the senior staff is reviewed annually and normally increased in accordance with market rates.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

THE FOLKLORE SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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



Professor R P Jenkins

Trustee

Dated: 26/5/23

THE FOLKLORE SOCIETY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees, who are also the directors of The Folklore Society for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the Trustees 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in operation.

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

THE FOLKLORE SOCIETY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE FOLKLORE SOCIETY

I report to the Trustees on my examination of the financial statements of The Folklore Society (the Society) for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the Society (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 Society 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 Society'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 Society 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.

M Wilkes FCA Azets Audit Services

Globe House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN
United Kingdom

Dated: 5 June 2023

THE FOLKLORE SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	2021 £
Income from:					
Donations	3	116,966	1,260	118,226	106,111
Other trading activities	4	1,459	-	1,459	1,910
Investments	5	2,470	-	2,470	829
Total income		120,895	1,260	122,155	108,850
Expenditure on:					
Charitable activities	6	59,892	1,260	61,152	57,915
Other	11	184	-	184	-
Total expenditure		60,076	1,260	61,336	57,915
Net gains/(losses) on investments	12	(4,029)	-	(4,029)	4,281
Other recognised gains and losses					
Revaluation of tangible fixed assets		-	-	-	24,725
Other gains or losses		(26,148)	-	(26,148)	(25,984)
Net movement in funds		30,642	-	30,642	53,957
Fund balances at 1 January 2022		923,993	-	923,993	870,036
Fund balances at 31 December 2022		954,635	-	954,635	923,993

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.

THE FOLKLORE SOCIETY

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	13		149,433		175,581
Tangible assets	15		-		274
Heritage assets	14		589,959		584,209
Investments	16		10		10
			<hr/>		<hr/>
			739,402		760,074
Current assets					
Debtors	17	833		625	
Investments	18	28,021		32,050	
Cash at bank and in hand		192,825		134,664	
		<hr/>		<hr/>	
		221,679		167,339	
Creditors: amounts falling due within one year	19	(6,446)		(3,420)	
		<hr/>		<hr/>	
Net current assets			215,233		163,919
			<hr/>		<hr/>
Total assets less current liabilities			954,635		923,993
			<hr/>		<hr/>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	21	739,402		760,074	
General unrestricted funds		215,233		163,919	
		<hr/>		<hr/>	
			954,635		923,993
			<hr/>		<hr/>
			954,635		923,993
			<hr/>		<hr/>

THE FOLKLORE SOCIETY

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

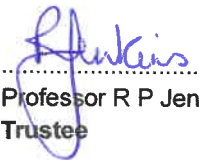
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 26/5/23


.....
Professor R P Jenkins
Trustee

Company Registration No. 03685496

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Folklore Society is a private company limited by guarantee incorporated in England and Wales and a registered charity with the Charity Commission in the United Kingdom. The registered office is Globe House, Eclipse Park, Sittingbourne Road, Maidstone, Kent, ME14 3EN. The principal place of business is 50 Fitzroy Street, London W1T 5BT. The nature of the charity's operations and principal activities are detailed in page 1 of these financial statements.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Society'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) (effective 1 January 2019)". The Society is a Public Benefit Entity as defined by FRS 102.

The Society 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 Society. 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 certain financial items at fair value. The principal accounting policies adopted are set out below.

The charity has availed itself of Paragraph 4(1) of Schedule 1 of the Small Companies and Groups (Accounts and Directors' Reports) Regulations 2008 and adapted the format to reflect the special nature of the charity's activities.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. In reaching that view, the trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from approving these financial statements. Their belief is that the anticipated income and expenditure for that period will be adequate for the charity to be able to continue as a going concern, given its level of reserves at 31 December 2022 and the fact that they currently still believe and expect that the charity's trading subsidiary will also continue operating as a going concern for the foreseeable future.

1.3 Charitable funds

The Income Fund consists of unrestricted funds. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Society 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 Society 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 is recognised at the time of the donation.

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the Society 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.

Income from ancillary trading activities (conference fees and royalty and book sales) is recognised when the Charity is legally entitled to it, being the occurrence of the event or the sale of the book.

1.5 Expenditure

All expenditure is accounted for on an accruals basis, is inclusive of VAT where incurred, and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

1.6 Intangible fixed assets other than goodwill

Intangible fixed assets relate to the licences of the copyright of the journal *Folklore* to Taylor & Francis Plc and JSTOR under the terms of the respective journal publishing and royalty agreements. The assets have been valued by the trustees at the present value of projected future cash flows over the minimum expected remaining life of the underlying agreements.

1.7 Tangible fixed assets

Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Computers and office equipment	33% on written down value
--------------------------------	---------------------------

Heritage assets

The charity's library, artefacts, paintings and archives have been included at market value for insurance purposes. In the opinion of the trustees, the estimated residual values of these assets are not less than the valuations, which will normally be updated every five years, and no depreciation charge is required. The trustees consider this policy is necessary in order that the accounts show a true and fair view.

1.8 Group accounts

The charity is a parent company subject to the small companies' regime. The charity and its subsidiary comprise a small group and the charity has taken advantage of the exemption provided by the Statement of Recommended Practice 'Accounting and Reporting Charities' not to prepare group accounts. As a result, these accounts give information about the company as an individual undertaking and not about the group.

1.9 Company status

The charity is a company limited by guarantee. The members of the company are the directors/trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.10 Fixed asset investments

Fixed and current asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the Society. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.11 Impairment of fixed assets

At each reporting end date, the Society 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).

1.12 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.

1.13 Financial instruments

The Society 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 Society's balance sheet when the Society 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 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. 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 Society's contractual obligations expire or are discharged or cancelled.

1.14 Retirement benefits

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

1.15 Foreign exchange

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All exchange differences are taken to the Statement of Financial Activities.

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2 Critical accounting estimates and judgements

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Intangible assets

Intangible fixed assets relate to the licences of the copyright of the journal *Folklore* to Taylor & Francis Plc and JSTOR under the terms of the respective journal publishing and royalty agreements. The assets have been valued by the trustees at the present value of projected future cash flows over the minimum expected remaining life of the underlying agreements.

Heritage assets carried at valuation

The useful economic lives and residual values of heritage are reassessed annually for any impairment. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the charity's library, paintings, artefacts and archives.

There are no undisclosed key assumptions concerning the future or other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Donations

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2022	2022	2022	2021
	£	£	£	£
Donations and gifts	111,216	-	111,216	86,111
Internship grant	-	1,260	1,260	-
Donated heritage assets	5,750	-	5,750	20,000
	<u>116,966</u>	<u>1,260</u>	<u>118,226</u>	<u>106,111</u>

Donations and gifts includes £64,436 (2021: £84,982) of trading surplus paid to the charity in the year. This includes £37,270 (2021: £58,569) unpaid from the year ended 31 December 2021.

Donations and gifts also includes £45,482 being the residual funds transferred to the Society on the dissolution of the Katharine Briggs Trust.

No other legacy income was notified to the trustees during the year under review.

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Conference fees	1,284	1,790
Royalties and book sales	175	120
	<u> </u>	<u> </u>
Other trading activities	1,459	1,910
	<u> </u>	<u> </u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Other investment income	2,470	829
	<u> </u>	<u> </u>

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Charitable activities

	Total funds 2022 £	Total funds 2021 £
Staff costs	1,260	-
Depreciation and impairment	90	135
FLS news	2,202	3,571
Conference speakers' travel bursaries	911	1,996
	<u>4,463</u>	<u>5,702</u>
Grant funding of activities (see note 7)	2,320	1,182
Share of support costs (see note 8)	48,729	46,111
Share of governance costs (see note 8)	5,640	4,920
	<u>61,152</u>	<u>57,915</u>
Analysis by fund		
Unrestricted funds	59,892	57,915
Restricted funds	1,260	-
	<u>61,152</u>	<u>57,915</u>

Charitable activities include holding various conferences throughout the year to foster and further research into folklore, and publishing a regular journal (FLS news) to the members of the Society. All support and governance costs are charitable activities.

7 Grants payable

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Grants to institutions (1 grants): Open Book Publishing	1,230	-
Grants to individuals (3 grants)	1,090	1,182
	<u>2,320</u>	<u>1,182</u>

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Support and governance costs (all unrestricted funds)

	Support costs	Governance costs	2022 Support costs	Governance costs	2021
	£	£	£	£	£
Staff costs	33,690	-	33,690	36,391	36,391
Licence fee – occupation of office	9,792	-	9,792	8,125	8,125
Postage, stationery and telephone	512	-	512	371	371
Sundry expenses	185	-	185	33	33
Bank charges	83	-	83	96	96
Insurance	962	-	962	759	759
Computer running costs	208	-	208	240	240
Subscriptions	108	-	108	96	96
Officers' travel and subsistence	3,189	-	3,189	-	-
Accountancy	-	1,890	1,890	-	1,260
Independent examiner's fee	-	3,750	3,750	-	3,660
	<u>48,729</u>	<u>5,640</u>	<u>54,369</u>	<u>46,111</u>	<u>51,031</u>
All relate to Charitable activities	<u>48,729</u>	<u>5,640</u>	<u>54,369</u>	<u>46,111</u>	<u>51,031</u>

Included in restricted funds are £1,260 of staff costs (see note 6). Total staff costs for the year amounted to £34,950 (2021: £36,391) - see note 10.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Society during the year.

Included in officers' travel and subsistence is a total of £771 (2021: £nil) reimbursed to the 5 trustees during the year.

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

10 Employees

Number of employees

	2022	2021
	Number	Number
Administration	3	3

Employment costs

	2022	2021
	£	£
Wages and salaries	34,867	36,366
Other pension costs	83	25
	<u>34,950</u>	<u>36,391</u>

The trustees consider that they, together with the charity's Senior Librarian, comprise the key management personnel of the charity who are jointly in charge of directing and controlling, running and operating the charity on a day to day basis. The Senior Librarian's salary cost was £24,616 (2021: £23,918).

There are no employees with emoluments above £60,000 (2021: None).

11 Other

	Unrestricted	Total
	funds	£
	2022	2021
Net loss on disposal of tangible fixed assets	184	-

12 Net (losses)/gains on investments

	Unrestricted	Unrestricted
	funds	funds
	2022	2021
	£	£
Revaluation of investments	(4,029)	4,281

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

13 Intangible fixed assets

	Publishing licences £
Valuation	
At 1 January 2022	175,581
Impairment	(26,148)
	<hr/>
At 31 December 2022	149,433
	<hr/>
Amortisation and impairment	
At 1 January 2022 and 31 December 2022	-
	<hr/>
Carrying amount	
At 31 December 2022	149,433
	<hr/> <hr/>
At 31 December 2021	175,581
	<hr/> <hr/>

Intangible fixed assets relate to the licences of the copyright of the journal *Folklore* to Taylor & Francis Plc and JSTOR under the terms of the respective journal publishing and royalty agreements. The assets have been valued by the trustees at the present value of projected future cash flows over the minimum expected remaining life of the underlying agreements.

14 Heritage assets

	At valuation £
At 1 January 2022	584,209
Additions	5,750
	<hr/>
At 31 December 2022	589,959
	<hr/> <hr/>

The Trustees assess the fair value of the heritage assets on an annual basis.

The paintings and artefacts were last formally valued during the year ended 31 December 1997, with the archives last formally valued in the year ended 31 December 2015.

Purchases comprise over 1,000 titles donated to the Library over the course of the last 5 years. 205 books were acquired in the current year from a bequest. The most recent formal valuation of the Library was undertaken by Mr M Banwell in May 2022 to value the books donated and for insurance purposes. Mr M Banwell is a specialist in Folklore material.

The charity also owns the Mary Young Collection and the Cambridge Anthropology Collection, these items have not yet been professionally valued and are not included in these accounts.

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

15 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2022	11,280
Disposals	(11,280)
	<u> </u>
Depreciation and impairment	
At 1 January 2022	11,006
Depreciation charged in the year	90
Eliminated in respect of disposals	(11,096)
	<u> </u>
Carrying amount	
At 31 December 2022	-
	<u> </u>
At 31 December 2021	274
	<u> </u>

16 Fixed asset investments

	Other investments
Cost	
At 1 January 2022 & 31 December 2022	10
	<u> </u>
Carrying amount	
At 31 December 2022	10
	<u> </u>
At 31 December 2021	10
	<u> </u>

	2022 £	2021 £
Other investments comprise:		
Investments in subsidiaries	24	10
	<u> </u>	<u> </u>

17 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Prepayments and accrued income	833	625
	<u> </u>	<u> </u>

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

18	Current asset investments		
		2022	2021
		£	£
	COIF Charities Investment Fund	28,021	32,050
		<u> </u>	<u> </u>
19	Creditors: amounts falling due within one year		
		2022	2021
		£	£
	Other creditors	898	-
	Accruals and deferred income	5,548	3,420
		<u> </u>	<u> </u>
		<u>6,446</u>	<u>3,420</u>
20	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:

	Movement in funds			Movement in funds			Balance at 31 December 2022
	Balance at 1 January 2021	Income	Expenditure	Balance at 1 January 2022	Income	Expenditure	
	£	£	£	£	£	£	£
Internship	-	-	-	-	1,260	(1,260)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

During the year the charity received a grant amounting to £1,260 for the specific purpose of funding an internship with the Society. All of the amount had been expended in the year.

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 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:

	Balance at 1 January 2021	New designation	Designation released	Revaluations, gains and losses	Balance at 1 January 2022	New designation	Designation released	Revaluations, gains and losses	Balance at 31 December 2022
	£	£	£	£	£	£	£	£	£
Copyright licence fund	201,565	-	-	(25,984)	175,581	-	-	(26,148)	149,433
Fixed assets fund	343	66	(135)	-	274	-	(274)	-	-
Heritage assets fund	539,484	44,725	-	-	584,209	5,750	-	-	589,959
Investments fund	10	-	-	-	10	-	-	-	10
	<u>741,402</u>	<u>44,791</u>	<u>(135)</u>	<u>(25,984)</u>	<u>760,074</u>	<u>5,750</u>	<u>(274)</u>	<u>(26,148)</u>	<u>739,402</u>

Copyright licence fund - this fund holds the licences and copyright of the journal Folklore to Taylor & Francis Plc and JSTOR under the terms of the respective journal publishing and royalty agreements.

Fixed asset fund - this fund holds the various tangible assets of the Charity. They are not held to generate income, but utilised in the performance of the charity's activities.

Heritage asset fund - this fund holds the heritage assets of the Charity. They are not held to generate income, but to maintain and preserve the archives and manuscript collections.

Investment fund - this fund holds the trading subsidiary, and is invested to maximise total return and generate income.

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Operating lease commitments

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

	2022 £	2021 £
Within one year	10,000	11,875
Between two and five years	40,000	60,000
In over five years	5,833	38,750
	<u>55,833</u>	<u>110,625</u>

At 31 December 2022 the charity had an operating lease commitment with The Royal Anthropological Institute under the terms of a licence agreement to occupy space at 50 Fitzroy Street, London, W1. The total commitment covers the remaining period of occupancy by the Charity expected to end on 27 July 2029.

The amount of the rent paid under this agreement in the year to 31 December 2022 was £9,792 (2021: £8,125) which included a 50% discount in January 2022 and a 33% discount from 1 February 2022 to 31 December 2022.

23 Related party transactions

The Charity's wholly owned trading subsidiary, Folklore Enterprises Limited, conducts the commercial activities of its parent charity and donates under gift aid any trading surplus to the parent charity each financial year. For the year ended 31 December 2022 the amount donated was £64,436 (2021: £84,982).

At 31 December 2022 there were no balances outstanding between the charity and Folklore Enterprises Limited.

24 Subsidiaries

These financial statements are separate Society financial statements for The Folklore Society.

The Society is a parent company subject to the small companies' regime. The Society and its subsidiary comprise a small group and the Society has taken advantage of the exemption provided by the Statement of Recommended Practice 'Accounting and Reporting Charities' not to prepare group accounts. As a result, these accounts give information about the company as an individual undertaking and not about the group.

Details of the Society's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Folklore Enterprises Limited	England & Wales	Not for profit publishing and library activities	Ordinary	100.00	

THE FOLKLORE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

24 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Folklore Enterprises Limited	1,334	39,714