

**Report of the Trustees and
Financial Statements
for the Year Ended 31 January 2021
for
BOWNESS THEATRE FESTIVAL LIMITED**

Haines Watts Manchester Limited, Statutory Auditor
Northern Assurance Buildings
9-21 Princess Street
Manchester
M2 4DN

BOWNESS THEATRE FESTIVAL LIMITED

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BOWNESS THEATRE FESTIVAL LIMITED

Report of the Trustees for the year ended 31 January 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 January 2021. The trustees have adopted the provisions of 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 financial statements have been prepared in accordance with the accounting policies set out in the notes and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 2015).

Objectives and activities

Objectives and aims

The objects for which the charity is established are the promotion and advancement of aesthetic education and the cultivation and improvement of public tasks in drama, opera, music, painting and the other arts. The strategies employed to achieve the charity's objectives are to:

- a) Offer opportunities for a broad range of people to get involved in arts activity exploring their own creative powers.
- b) Provide facilities for amateur and professional artists to showcase their abilities.
- c) Represent the diversity of cultures in our society by programming presentations by, and with, artists of different cultural backgrounds; and
- d) present a broad range of arts activities.

Public benefit

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

Achievement and performance

Charitable activities

The Charity had a full season planned running from 11th February 2020. These included 2 sold out comedy performances from Bill Bailey, one classical music weekend with two performances from Martin Roscoe and friends and 4 drama performances which all went ahead. The last of these performances being Sunday 15th March, just before National Lockdown due to Covid 19 was announced.

The rest of the years events were either postponed to be rescheduled or cancelled and all theatre staff were furloughed. No further performances were held that year.

When running, the season provides direct employment during its run and many other indirect forms of income to B&B owners, hoteliers, printers, marketing firms, newspapers and food and drink suppliers.

Financial review

Financial position

Admission fees of £18,588 were down 85% on those of the previous year. This was not unexpected in view of the coronavirus epidemic which resulted in the closure of the theatre for most of the year. The main consequence of this was that it was not possible to run the festival in 2020.

However, the direct costs of producing shows has decreased from £114,418 to £1,852 and the bought in costs of providing shows has fallen from £68,964 to £12,523. Income generated from the bistro fell from £12,946 to £1,320 in line with the reduction in admission fees.

Despite the effects of the coronavirus restrictions the company had net income for the year largely as a result of the receipt of a £28,800 grant from the Arts Council. Lakes Story Limited again donated to the company although much less than last year (£29,593 v £192,864). No legacies were received (2020 - £nil) and no grants were received other than from the Arts Council as noted. A grant of £2,000 was received in the previous year from South Lakeland District Council.

Investment policy and objectives

Under the Memorandum of Association, the charity has the power to invest in any way the trustees wish.

BOWNESS THEATRE FESTIVAL LIMITED

Report of the Trustees for the year ended 31 January 2021

Financial review

Reserves policy

The trustees aim to ensure that the unrestricted funds, which are the free reserves of the charity, are kept to a minimum but are sufficient to fund those projects where income received does not cover the costs incurred. The trustees hope to attract sufficient funding in order that the charity will at least achieve a break-even position.

There was a balance on unrestricted funds at 31 January 2021 of £7,247 which includes £19,998 invested in fixed assets. The free reserve figure at year end is (£12,751). The trustees continue to try to source additional funding and to increase admission numbers in order to improve the funds position. Nevertheless, the charity is dependent, in the absence of other funding, on the continued financial support of two of its trustees, C R Scott and R P Glossop. These trustees have confirmed their commitment to provide the necessary support.

Going concern

The coronavirus pandemic arose early in the year and so there has been very little activity since the previous year end. An Arts Council grant was obtained which, combined with the low level of expenditure, will enable the company to continue in operation until normality returns.

The company had net income of £21,556 for the year ended 31 January 2021 and had net assets of £7,247 at that date. The company is dependent, in the absence of other funding, on the continued financial support of its trustees, C R Scott and R P Glossop. These trustees have confirmed their commitment to provide the necessary support.

On this basis the trustees consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that might be necessary if C R Scott and R P Glossop were not to provide further support.

Future plans

The Charity has recently had its first performance since Lockdown which was well attended.

Future plans include a World Premiere of Sir Alan Ayckbourn's play 'All Lies', a Science Festival Weekend, Folk Music and several more drama productions.

Structure, governance and management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 26 February 2001 and registered as a charity on 28 August 2001. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new trustees

New trustees must either be recommended for appointment by the existing trustees or proposed by a member. All new trustees must offer themselves for retirement at the Annual General Meeting following their appointment.

Organisational structure

The trustees meet regularly and co-ordinate the charity's activities through managers co-opted from Lakes Story Limited, a company in which C R Scott and R Glossop are directors. A festival administrator is appointed by the trustees to manage the day to day operations of the charity. Artistic performance related activity is controlled by R Glossop and C R Scott.

With the exception of the payments to the trustees recorded in note 8 to the financial statements the trustees give of their time freely and no trustee remuneration was paid in the year. Details of related party transactions are disclosed in notes 8 and 15 to the financial statements. Trustees are required to disclose all relevant interests to the other trustees and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises.

Induction and training of new trustees

An induction pack is available to any new trustee which includes a copy of the Memorandum and Articles of Association, a summary of the Charity's objectives, a copy of the Charity Commission's guide on the duties of a trustee and the most recent financial statements.

Related parties

The charity has a very close relationship with Lakes Story Limited, a company owned by two of the trustees, C R Scott and R Glossop. Lakes Story Limited provides certain facilities and services free of charge as recorded in note 3 to the financial statements.

BOWNESS THEATRE FESTIVAL LIMITED

Report of the Trustees for the year ended 31 January 2021

Structure, governance and management

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity. Procedures are in place to ensure compliance with health and safety of staff and visitors to the theatre. The trustees consider that as far as is currently practical, suitable systems, internal controls and insurances are in place to mitigate risks.

Reference and administrative details

Registered Company number

04168289 (England and Wales)

Registered Charity number

1088229

Registered office

Northern Assurance Buildings
Albert Square
9-21 Princess Street
Manchester
M2 4DN

Trustees

C R Scott
S Glossop
R P Glossop
P Allen
A Goolden
P James
H Pezet
A Ptaszynski (resigned 29/7/2020)
G Rhys Jones

Company Secretary

C R Scott

Auditors

Haines Watts Manchester Limited, Statutory Auditor
Northern Assurance Buildings
9-21 Princess Street
Manchester
M2 4DN

Solicitors

Kippax Beaumont Lewis
28 Mawdsley Street
Bolton
BL1 1LF

Bankers

Barclays Bank plc
Business Centre
PO Box 27
Oxenholme Road
Kendal
LA9 7GF

Statement of trustees' responsibilities

The trustees (who are also the directors of Bowness Theatre Festival Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

BOWNESS THEATRE FESTIVAL LIMITED

Report of the Trustees for the year ended 31 January 2021

Statement of trustees' responsibilities - continued

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, Haines Watts Manchester Limited, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 26/10/2021 and signed on its behalf by:

Charlotte Scott

.....
C R Scott - Trustee

Report of the Independent Auditors to the Members of Bowness Theatre Festival Limited

Opinion

We have audited the financial statements of Bowness Theatre Festival Limited (the 'charitable company') for the year ended 31 January 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 January 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and wider economy. The Trustees' view on the impact of COVID-19 is disclosed in the accounting policies.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Bowness Theatre Festival Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

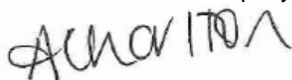
- We perform walkthrough testing to confirm that the company's own controls were operating correctly.
- We test a sample of sales and purchases to confirm they are accounted for correctly and are appropriately disclosed, with increased risk due to cash sales.
- We test a sample of creditors to confirm they are correctly stated.
- We test a sample of journals to confirm they are genuine transactions.
- We have confirmed that the company complies with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of Bowness Theatre Festival Limited

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Angela Chorlton FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts Manchester Limited, Statutory Auditor
Northern Assurance Buildings
9-21 Princess Street
Manchester
M2 4DN

Date: 29/10/2021

BOWNESS THEATRE FESTIVAL LIMITED

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31 January 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
Income and endowments from					
Donations and legacies	3	58,394	-	58,394	194,864
Charitable activities	5				
Operation of theatre		21,835	-	21,835	138,997
Investment income	4	3	-	3	16
Total		80,232	-	80,232	333,877
Expenditure on					
Charitable activities	6				
Governance Cost		5,520	-	5,520	7,190
Operation of theatre		53,156	-	53,156	336,252
Total		58,676	-	58,676	343,442
NET INCOME/(EXPENDITURE)		21,556	-	21,556	(9,565)
Reconciliation of funds					
Total funds brought forward		(14,309)	-	(14,309)	(4,744)
Total funds carried forward		7,247	-	7,247	(14,309)

The notes form part of these financial statements

BOWNESS THEATRE FESTIVAL LIMITED

Balance Sheet 31 January 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets					
Tangible assets	11	19,998	-	19,998	26,253
Current assets					
Debtors	12	10,868	-	10,868	10,701
Cash at bank and in hand		37,675	-	37,675	31,996
		<u>48,543</u>	<u>-</u>	<u>48,543</u>	<u>42,697</u>
Creditors					
Amounts falling due within one year	13	(61,294)	-	(61,294)	(83,259)
Net current assets/(liabilities)		<u>(12,751)</u>	<u>-</u>	<u>(12,751)</u>	<u>(40,562)</u>
Total assets less current liabilities		<u>7,247</u>	<u>-</u>	<u>7,247</u>	<u>(14,309)</u>
NET ASSETS/(LIABILITIES)		<u>7,247</u>	<u>-</u>	<u>7,247</u>	<u>(14,309)</u>
Funds	14				
Unrestricted funds				7,247	(14,309)
Total funds				<u>7,247</u>	<u>(14,309)</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on26/10/2021..... and were signed on its behalf by:

Charlotte Scott

.....
C R Scott - Trustee

BOWNESS THEATRE FESTIVAL LIMITED

Cash Flow Statement for the year ended 31 January 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	7,821	(12,302)
Net cash provided by/(used in) operating activities		<u>7,821</u>	<u>(12,302)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,145)	-
Interest received		3	16
Net cash (used in)/provided by investing activities		<u>(2,142)</u>	<u>16</u>
Change in cash and cash equivalents in the reporting period		<u>5,679</u>	<u>(12,286)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>31,996</u>	<u>44,282</u>
Cash and cash equivalents at the end of the reporting period		<u><u>37,675</u></u>	<u><u>31,996</u></u>

The notes form part of these financial statements

BOWNESS THEATRE FESTIVAL LIMITED

Notes to the Cash Flow Statement for the year ended 31 January 2021

1. Reconciliation of net income/(expenditure) to net cash flow from operating activities			
	2021		2020
	£		£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	21,556		(9,565)
Adjustments for:			
Depreciation charges	8,400		8,438
Interest received	(3)		(16)
Increase in debtors	(167)		(571)
Decrease in creditors	(21,965)		(10,588)
Net cash provided by/(used in) operations	7,821		(12,302)
	<u><u>7,821</u></u>		<u><u>(12,302)</u></u>
2. Analysis of changes in net funds			
	At 1/2/20	Cash flow	At 31/1/21
	£	£	£
Net cash			
Cash at bank and in hand	31,996	5,679	37,675
	<u><u>31,996</u></u>	<u><u>5,679</u></u>	<u><u>37,675</u></u>
Total	31,996	5,679	37,675
	<u><u>31,996</u></u>	<u><u>5,679</u></u>	<u><u>37,675</u></u>

BOWNESS THEATRE FESTIVAL LIMITED

Notes to the Financial Statements for the year ended 31 January 2021

1. Statutory information

Bowness Theatre Festival Limited is a private company, limited by guarantee, registered in England and Wales and has no share capital. The liability of each member in the event of winding-up is limited to £10. The company's registered number and registered office address can be found on the reference and administrative information on page 1 of these financial statements. The principal nature of the charity's operations is the promotion and advancement of aesthetic education and the cultivation and improvement of public tasks in drama, opera, music, painting and the other arts.

2. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity constitutes a public benefit entity as defined by FRS 102.

The coronavirus pandemic arose early in the year and so there has been very little activity since the previous year end. An Arts Council grant was obtained which, combined with the low level of expenditure, will enable the company to continue in operation until normality returns.

The company had net income of £21,556 for the year ended 31 January 2021 and had net assets of £7,247 at that date. Nevertheless, the company is dependent, in the absence of other funding, on the continued financial support of its trustees, C R Scott and R P Glossop. These trustees have confirmed their commitment to provide the necessary support.

On this basis the trustees consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that might be necessary if C R Scott and R P Glossop were not to provide further support.

Income

a) Charitable trading activities

Income from theatre admission fees, sales and programmes, membership, sponsorship and advertising is included in incoming resources in the period in which the relevant show takes place.

b) Grants, donations, legacies and gifts in kind

Income from grants and donations is included in incoming resources where these are receivable unless donors impose specific conditions.

Income from legacies is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Donated facilities, services and administration assistance are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

c) Interest receivable

Interest is included when receivable and can be measured reliably by the charity.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

BOWNESS THEATRE FESTIVAL LIMITED

Notes to the Financial Statements - continued for the year ended 31 January 2021

2. Accounting policies - continued

Expenditure

Charitable activities include expenditure associated with staging theatre and other artistic events and include both the direct costs 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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 15% straight line

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use.

Taxation

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

Fund accounting

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

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

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

Debtors

Other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts offered.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

a) Financial assets

Basic financial assets, including other debtors and cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

There are no assets which are initially measured at fair value.

b) Financial liabilities

Basic financial liabilities, including trade and other 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 receipts discounted at a market rate of interest.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

BOWNESS THEATRE FESTIVAL LIMITED

Notes to the Financial Statements - continued for the year ended 31 January 2021

3. Donations and legacies

	2021 £	2020 £
Donations	29,594	192,864
Grants	28,800	2,000
	<u>58,394</u>	<u>194,864</u>

Donations received, included in the above are as follows:-

	2021 £	2020 £
Donations from individuals	-	-
Donations from companies	-	143,831
Donated facilities	11,945	11,945
Donated services and administration income	17,648	37,088
	<u>29,593</u>	<u>192,864</u>

Included in the above is donated facilities, services and administration assistance comprising free accommodation, administrative expenditure and use of staff provided amounting to £29,593 (2020 - £49,033) by Lakes Story Limited, a company of which C R Scott and R P Glossop are directors and shareholder. A corresponding amount is included within the costs of administering and managing the charity (see note 6).

All the income from donations totalling £29,593 (2020 - £192,864) is attributable to unrestricted funds.

Grants received, included in the above, are as follows:

	2021 £	2020 £
South Lakeland District Council	-	2,000
Arts Council	28,800	-
	<u>28,800</u>	<u>2,000</u>

The income from grants totals £28,800 (2020 - £2,000) of which £nil (2020 - £nil) was for restricted funds and £28,800 (2020 - £2,000) was for unrestricted funds.

4. Investment income

	2021 £	2020 £
Deposit account interest	3	16

BOWNESS THEATRE FESTIVAL LIMITED

Notes to the Financial Statements - continued for the year ended 31 January 2021

5. Income from charitable activities

	Activity	2021 £	2020 £
Admissions Income	Operation of theatre	18,588	122,218
Bistro Income	Operation of theatre	1,320	12,946
Membership Income	Operation of theatre	1,927	3,178
Other Income	Operation of theatre	-	655
		<u>21,835</u>	<u>138,997</u>

All incoming resources from the operation of the theatre of £21,835 (2020 - £138,997) are attributable to unrestricted funds.

6. Charitable activities costs

	Direct Costs £
Governance Cost	5,520
Operation of theatre	53,156
	<u>58,676</u>

Charitable activity costs are as follows:

	2020 £	2020 £
Box office manager and front of house	14,226	50,604
Rent	3,125	6,250
Postage and stationery	100	293
Electricity	292	-
Sundries	669	1,257
Bistro costs	112	6,221
Show costs	12,523	68,964
Production costs	1,852	114,418
Repairs and renewals	(710)	10,924
Marketing costs	1,929	23,678
Audit fees	1,000	1,600
Travel expenses	(376)	697
Bank charges	877	1,064
Costs of donated facilities and services	14,657	49,033
Depreciation of fixtures and fittings	8,400	8,439
	<u>58,676</u>	<u>343,442</u>

The charitable activity costs totals £58,676 (2020 - £343,442) of which £nil (2020 - £nil) was restricted and £58,676 (2020 - £343,442) was unrestricted.

BOWNESS THEATRE FESTIVAL LIMITED

Notes to the Financial Statements - continued for the year ended 31 January 2021

7. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	<u>8,400</u>	<u>8,438</u>

Changes in resources applied for fixed assets for Bowness Theatre Festival Limited's use:

	Unrestricted funds	
	2021	2020
	£	£
Net incoming/(outgoing) resources for the year	10,339	(9,565)
Resources used for net acquisitions	<u>(2,145)</u>	<u>-</u>
Net movement in funds (financed from reserves)	<u>8,194</u>	<u>(9,565)</u>

8. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 January 2021 nor for the year ended 31 January 2020.

S Glossop, trustee, received £nil (2020 - £2,325) for production costs. P Allen, trustee, is also a director of Scarborough Theatre Trust Limited. Show fees of £nil (2020 - £41,188) were paid to Stephen Joseph Theatre Limited, a 100% subsidiary of Scarborough Theatre Trust Limited. A Ptaszynski, trustee to 29 July 2020, is also a director of The Really Useful Group Limited. Show fees of £nil (2020 - £3,086) were paid to The Really Useful Group Limited. These payments were made in accordance with paragraph 28A of the company's Articles of Association.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 January 2021 nor for the year ended 31 January 2020.

9. Staff costs

	2021	2020
	£	£
Wages and salaries	<u>14,226</u>	<u>50,604</u>
	<u>14,226</u>	<u>50,604</u>

Salaries recharged by Lakes Story Limited for the box office manager and front of house were as follows:

	2021	2020
	£	£
Salaries and wages	<u>14,226</u>	<u>49,135</u>
Social security costs	<u>-</u>	<u>1,469</u>
	<u>14,226</u>	<u>50,604</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Box office and front of house	<u>1</u>	<u>2</u>

BOWNESS THEATRE FESTIVAL LIMITED

Notes to the Financial Statements - continued for the year ended 31 January 2021

9. Staff costs - continued

No employees received emoluments in excess of £60,000.

10. Comparatives for the statement of financial activities

	Unrestricted fund £	Restricted funds £	Total funds £
Income and endowments from			
Donations and legacies	194,864	-	194,864
Charitable activities			
Operation of theatre	138,997	-	138,997
Investment income	16	-	16
Total	<u>333,877</u>	<u>-</u>	<u>333,877</u>
Expenditure on			
Charitable activities			
Governance Cost	7,190	-	7,190
Operation of theatre	336,252	-	336,252
Total	<u>343,442</u>	<u>-</u>	<u>343,442</u>
NET INCOME/(EXPENDITURE)	<u>(9,565)</u>	<u>-</u>	<u>(9,565)</u>
Reconciliation of funds			
Total funds brought forward	(4,744)	-	(4,744)
Total funds carried forward	<u>(14,309)</u>	<u>-</u>	<u>(14,309)</u>

11. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 February 2020	76,217
Additions	2,145
At 31 January 2021	<u>78,362</u>
Depreciation	
At 1 February 2020	49,964
Charge for year	8,400
At 31 January 2021	<u>58,364</u>
Net book value	
At 31 January 2021	<u>19,998</u>
At 31 January 2020	<u>26,253</u>

BOWNESS THEATRE FESTIVAL LIMITED

Notes to the Financial Statements - continued for the year ended 31 January 2021

12. Debtors: amounts falling due within one year

	2021 £	2020 £
Trade debtors	339	-
VAT	10,529	10,701
	<u>10,868</u>	<u>10,701</u>

13. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	6,104
Other creditors	60,294	64,316
Accruals and deferred income	1,000	12,839
	<u>61,294</u>	<u>83,259</u>

14. Movement in funds

	At 1/2/20 £	Net movement in funds £	At 31/1/21 £
Unrestricted funds			
General fund	(14,309)	21,556	7,247
	<u>(14,309)</u>	<u>21,556</u>	<u>7,247</u>
TOTAL FUNDS	<u>(14,309)</u>	<u>21,556</u>	<u>7,247</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	80,232	(58,676)	21,556
	<u>80,232</u>	<u>(58,676)</u>	<u>21,556</u>
TOTAL FUNDS	<u>80,232</u>	<u>(58,676)</u>	<u>21,556</u>

Comparatives for movement in funds

	At 1/2/19 £	Net movement in funds £	At 31/1/20 £
Unrestricted funds			
General fund	(4,744)	(9,565)	(14,309)
	<u>(4,744)</u>	<u>(9,565)</u>	<u>(14,309)</u>
TOTAL FUNDS	<u>(4,744)</u>	<u>(9,565)</u>	<u>(14,309)</u>

BOWNESS THEATRE FESTIVAL LIMITED

Notes to the Financial Statements - continued for the year ended 31 January 2021

14. Movement in funds - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	333,877	(343,442)	(9,565)
TOTAL FUNDS	<u>333,877</u>	<u>(343,442)</u>	<u>(9,565)</u>

15. Related party disclosures

C R Scott and R P Glossop are directors and shareholders in Lakes Story Limited.

Lakes Story Limited incurred costs of £4,117 (2020 - £nil) on behalf of the charity which were recharged to them at cost.

During the year Lakes Story Limited made donations of £29,593 (2020 - £143,831). This is represented by cash donations of £nil (2020 - £65,000) and costs paid on behalf of the charity of £29,593 (2020 - £78,831).

The balance due to Lakes Story Limited at 31 January 2021 amounted to £59,895 (2020 - £64,316).

C R Scott has given a personal guarantee of £20,000 (2020 - £20,000) over the charity's bank overdraft.

Details of payments made to trustees are disclosed in note 8.

BOWNESS THEATRE FESTIVAL LIMITED

Detailed Statement of Financial Activities for the year ended 31 January 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Donations	29,594	192,864
Grants	28,800	2,000
	<u>58,394</u>	<u>194,864</u>
Investment income		
Deposit account interest	3	16
Charitable activities		
Admissions Income	18,588	122,218
Bistro Income	1,320	12,946
Membership Income	1,927	3,178
Other Income	-	655
	<u>21,835</u>	<u>138,997</u>
Total incoming resources	80,232	333,877
Expenditure		
Charitable activities		
Box office manager and front of house	14,226	50,604
Postage and stationery	100	293
Sundries	669	1,257
Bistro Cost	112	6,221
Show Cost	12,523	68,964
Production Cost	1,852	114,418
Repairs & Renewals	(710)	10,924
Marketing Costs	1,929	23,678
Audit fees	1,000	1,600
Travel Expenses	(376)	697
Bank Charges	877	1,064
Costs of donated facilities and services	18,074	55,283
Fixtures and fittings	8,400	8,439
	<u>58,676</u>	<u>343,442</u>
Total resources expended	<u>58,676</u>	<u>343,442</u>
Net income/(expenditure)	<u>21,556</u>	<u>(9,565)</u>

This page does not form part of the statutory financial statements