

Highlights Productions
Financial Statements
For the Year Ending
31 March 2024

JANE ASCROFT ACCOUNTANCY LIMITED

Chartered accountants
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XT

Highlights Productions

Financial Statements

Year Ended 31 March 2024

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Highlights Productions

Trustees' Annual Report (Incorporating the Director's Report)

Year Ended 31 March 2024

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2024.

Objectives

The object of the charity is to advance the education of the public in the practice and appreciation of the arts, especially in the counties of Durham, Northumberland and Cumbria, through the provision of a rural arts service. The company aims to meet its objectives by presenting and promoting a programme of drama, dance, literature, music, storytelling and visual arts. It achieves these aims through: continuing support of volunteer promoters to enable them to provide a professional service in providing a programme of high quality events in their venues; continuing choice of a wide range of performances to the highest quality - securing the necessary funds to put these objectives in place and ensure the sustainability of the programme.

Review of the Development, Activities and Achievements of the Charity

The financial year of 2023/24 has been the first year of a new 3-year National Portfolio agreement with Arts Council England (ACE). In January 2024, ACE announced that the 3-year NPO agreement would be extended by one year until April 2027. The NPO agreement is awarded to Highlights (H) and Arts Out West (AOW) consortium, with H as the lead partner.

Local authority funding from Cumbria (now via Westmorland & Furness), County Durham, South Lakeland (now via Westmorland & Furness) remained at a standstill amount, funding from Northumberland reduced slightly but is an annual commitment until March 2026. Towards the end of the year, we were awarded a one-off funding grant of £22,500 from Westmorland & Furness Council, as part of their Cultural Recovery Fund.

In April 2023 we recruited an Admin Assistant, who works 4 days / week. In October 2023, Highlights moved its office from a room in the BlueJam Arts building to newly-built premises in Brough, Cumbria. This is a great move for the team, who are benefitting from a modern environment with much improved environmental impacts.

Highlights continues to work in partnership with over 60 village halls, community centres, libraries and schools across Cumbria, County Durham and Northumberland. Performance seasons continue to run as normal, with two seasons per year.

For the first time, Highlights was able to programme Creative Highlights events in both the Spring and Autumn seasons thanks to the uplift in funding from Arts Council England - a series of arts and crafts workshops delivered by regional artists in village halls and community spaces. These are well received by promoters and participants alike and are now an integral part of our offer to community venues.

The Highlights Participate programme has worked in primary and secondary schools across Cumbria, County Durham and Northumberland, delivering workshops from regional and national artists. We continued to deliver workshops by artists with under-represented protected characteristics thanks to funding from Sir James Knott Trust, Tyne & Wear Community Foundation and Cumbria Community Foundation.

Highlights Productions

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2024

Achievements

- We successfully programmed 131 performances during 2023 - 2024 plus 8 performances for Northumberland libraries.
- We increased the number of Creative Highlights workshops we programmed, working with regional artists across both seasons. 30 workshops were delivered.
- We continued to build our Participate programme, increasing the number of and income received from participating schools and the range of artists and work on offer, delivering 75 workshops to primary and secondary schools and community groups.
- Highlights continued to work as a lead partner in the Rural Touring Dance Initiative. We work alongside The Place, National Rural Touring Forum, Take Art and Sonia Sabri Company to deliver this national programme, funded by Esmée Fairbairn Foundation and Arts Council England. As part of the programme we hosted a residency for Speedwell Dance at Brough Memorial Hall.
- Highlights continues our artist development work alongside regional partners such as Northern Consortium of rural touring schemes, North East Exchange and Venues North as well as international partners Contact East Canada, Music PEI (Prince Edward Island) and Canadian Folk Music Awards.
- Highlights programmed Canadian artists for the first time since the pandemic, with two Canadian artists performing in the area during 2023-24.
- Highlights worked alongside partners in Cumbria to develop and steer the Volunteering Futures funded project, Helping Hands.
- Highlights achieved bronze accreditation from Investors in the Environment (IIE), a reflection of the work we have done on our environment as part of Going Green Together, an environmental management system, the aim being to reduce our carbon footprint.

Financial Review

Finances

The organisation made an overall deficit of £4,255 (2023 - surplus of £37,134). This was made up of a surplus of £16,902 on unrestricted funds and a deficit of £21,157 on restricted funds. When the overall deficit is added to the funds brought forward of £195,493 it gives closing funds of £191,238 of which £22,680 are for restricted funds. This leaves general reserves of £168,558 as at 31 March 2024. Of that, £3,541 relates to fixed assets and £53,870 has been earmarked for a number of projects and so unrestricted free reserves at the end of the year were £111,147.

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which provides sufficient funds to cover management, administration and support costs for six months. At the 31 March 2024 unrestricted reserves were above this minimum level.

Investment Policy

The Memorandum and Articles of Association of the Charity permit wide powers of investment. The Trustees should invest the money of the charity not immediately required for its purposes, in or upon such investments, securities or properties as may be thought fit.

Risk Assessment

The Trustees regularly review the risks to which the charity is exposed and consider the implications of those risks. The Trustees consider the COVID-19 pandemic and associated future funding implications as a significant risk. They are keeping this risk under continuous review.

Highlights Productions

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2024

Plans for Future Periods

- Put in place a comprehensive induction programme for new trustees.
- Develop a Trustees' Handbook.
- Increase the number of venues we work with in County Durham.
- Develop a relationship with County Durham Library Services.
- Work with the Rural Touring Dance Initiative programme.
- Champion work from regional artists.
- Develop our relationship with venues and schools in the Barrow-in Furness area of Westmorland & Furness.
- Work on silver accreditation from Investors in the Environment (IIE), a reflection of the work we have done on our environment as part of Going Green Together, an environmental management system.
- Develop a funding strategy to support the future of Highlights.
- Use Eventotron, Event Management System, to streamline our working processes.
- Develop an induction and training programme for new volunteer promoters and venues.

Highlights Productions

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2024

Structure, Governance and Management

Governing Document

Highlights Productions is a company limited by guarantee and registered charity. 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.

Management Structure

Highlights Productions is governed by a Board of Trustees who are both Trustees under charity legislation and Directors under company legislation. At each Annual General Meeting (AGM) one third of the Trustees must retire from office and may be re-elected at that same meeting. The members to retire shall be those longest in office since their last election. Between AGMs the Trustees may co-opt persons onto the Board to fill any vacancies. All co-opted members must stand down at the AGM following their co-option and are similarly eligible for re-election. All new trustees are subject to an open and robust selection process and undergo an induction process once co-opted/elected.

Day to day management of the company is delegated to the Director (Chief Executive Officer), line-managing staff, and developing strategies and policies in consultation with, and subject to the approval of, the Board.

Governance

The Board of Trustees continued to meet regularly, with 50% of meetings in person and 50% online.

The Board of Trustees started the year with five members and ended the year with eight. Four new trustees were appointed in summer 2023, and Geof Keys stepped down at our Annual General Meeting in October 2023. Cinzia Hardy remains Chair, Mary Ingham was appointed as Vice Chair.

The Board reviewed several policies throughout the year and a new set of Memorandum and Articles were reviewed, updated and accepted by the full board.

We opened a third bank account to spread our financial risk and to make sure that none of the accounts had balances over what is covered by the financial services compensation scheme.

We set up a new Finance Committee, with three trustees and the General Manager, meeting as needed.

Trustees attended a finance workshop from our accountant, as well as various other training sessions in Environmental Practices, Community Engagement, Protecting Your Charity's Finances and Cyber Security for Small Charities, all provided by Durham Community Action.

Highlights Productions

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2024

Reference and Administrative Details

Registered charity name Highlights Productions

Charity registration number 1100920

Company registration number 4646007

Principal office and registered office Market Cross Cabin
New Road
Brough
Kirkby Stephen
Cumbria
CA17 4AS

The Trustees

Ms C Hardy	
Ms M Ingham	
Mr T G Keys	(Resigned 4 October 2023)
Ms E Lugg	
Ms J A Campbell	
Mr R Burns	(Appointed 17 April 2023)
Mr I F Gledhill	(Appointed 17 April 2023)
Dr A C Jones	(Appointed 17 April 2023)
Ms S A Seed	(Appointed 17 April 2023)

Company Secretary Ms K Lynch

Independent Examiner Jane Ascroft FCA MA (Cantab)
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XT

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Ms K Lynch
Charity Secretary

Highlights Productions

Independent Examiner's Report to the Trustees of Highlights Productions

Year Ended 31 March 2024

I report to the trustees on my examination of the financial statements of Highlights Productions ('the charity') for the year ended 31 March 2024.

Responsibilities and Basis of Report

As the trustees of the company (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 accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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:

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

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

Jane Ascroft FCA MA (Cantab)
Independent Examiner

Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XT

Highlights Productions

Statement of Financial Activities (including income and expenditure account)

Year Ended 31 March 2024

		Unrestricted funds	2024 Restricted funds	Total funds	2023 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	188,840	116,422	305,262	232,487
Charitable activities	6	65,680	2,292	67,972	66,709
Investment income	7	4,644	—	4,644	671
Total income		<u>259,164</u>	<u>118,714</u>	<u>377,878</u>	<u>299,867</u>
Expenditure					
Expenditure on charitable activities	8,9	247,112	135,021	382,133	262,733
Total expenditure		<u>247,112</u>	<u>135,021</u>	<u>382,133</u>	<u>262,733</u>
Net (expenditure)/income		<u>12,052</u>	<u>(16,307)</u>	<u>(4,255)</u>	<u>37,134</u>
Transfers between funds		4,850	(4,850)	—	—
Net movement in funds		<u>16,902</u>	<u>(21,157)</u>	<u>(4,255)</u>	<u>37,134</u>
Reconciliation of funds					
Total funds brought forward		151,656	43,837	195,493	158,359
Total funds carried forward		<u>168,558</u>	<u>22,680</u>	<u>191,238</u>	<u>195,493</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 9 to 20 form part of these financial statements.

Highlights Productions

Statement of Financial Position

31 March 2024

	Note	2024 £	2023 £
Fixed Assets			
Tangible fixed assets	16	3,541	4,717
Current Assets			
Debtors	17	34,266	4,741
Cash at bank and in hand		158,664	195,082
		192,930	199,823
Creditors: amounts falling due within one year	18	5,233	9,047
Net Current Assets		187,697	190,776
Total Assets Less Current Liabilities		191,238	195,493
Net Assets		191,238	195,493
Funds of the Charity			
Restricted funds		22,680	43,837
Unrestricted funds		168,558	151,656
Total charity funds	20	191,238	195,493

For the year ending 31 March 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Ms C Hardy
Trustee

The notes on pages 9 to 20 form part of these financial statements.

Highlights Productions

Notes to the Financial Statements

Year Ended 31 March 2024

1. General Information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Market Cross Cabin, New Road, Brough, Kirkby Stephen, Cumbria, CA17 4AS.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going Concern

There are no material uncertainties about the charity's ability to continue.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees consider that there are no significant estimates or judgements affecting these financial statements.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Highlights Productions

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2024

3. Accounting Policies *(continued)*

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

Investment income is included when receivable.

Income from charitable trading activity is accounted for when earned.

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

Tangible Assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Highlights Productions

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2024

3. Accounting Policies *(continued)*

Tangible Assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 25% reducing balance
Equipment	- Over 3 years reducing balance

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Highlights Productions

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2024

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

4. Limited by Guarantee

The liability of the members is limited. Every member of the charity undertakes to contribute to the assets of the charity in the event of the organisation being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the charity contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, but not exceeding £1.

5. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Donations	707	—	707
Gift aid	65	—	65
Promoters' membership fees	3,440	—	3,440
Reimbursed expenses	1,519	11,289	12,808

Highlights Productions

Notes to the Financial Statements (continued)

Year Ended 31 March 2024

5. Donations and Legacies (continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Grants			
ACE NPO Funds	120,694	12,000	132,694
ACE NPO Funds (AOW)	–	43,040	43,040
ACE HANDS	–	4,937	4,937
Durham County Council	9,374	–	9,374
Northumberland CC	8,748	–	8,748
Community Foundation Tyne & Wear	–	3,080	3,080
Westmorland & Furness Council	14,500	600	15,100
The Place	6,000	41,476	47,476
Culture Recovery Fund	22,500	–	22,500
Other grants	1,293	–	1,293
	<u>188,840</u>	<u>116,422</u>	<u>305,262</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	1,323	–	1,323
Gift aid	126	–	126
Promoters' membership fees	3,920	–	3,920
Reimbursed expenses	1,276	400	1,676
Grants			
ACE NPO Funds	87,694	–	87,694
ACE NPO Funds (AOW)	–	34,310	34,310
ACE HANDS	–	19,749	19,749
Cumbria County Council	10,000	–	10,000
Durham County Council	9,373	–	9,373
Northumberland CC	9,721	–	9,721
South Lakeland DC	5,100	–	5,100
Eden District Council	18,500	6,500	25,000
Cumbria Community Foundation	–	3,000	3,000
Sir James Knott Foundation	–	6,160	6,160
The Place	6,000	9,335	15,335
	<u>153,033</u>	<u>79,454</u>	<u>232,487</u>

Highlights Productions

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2024

6. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Workshop income	6,450	–	6,450
Ticket sales	59,230	2,292	61,522
	<u>65,680</u>	<u>2,292</u>	<u>67,972</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Workshop income	85	4,230	4,315
Ticket sales	62,394	–	62,394
	<u>62,479</u>	<u>4,230</u>	<u>66,709</u>

7. Investment Income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Bank interest receivable	<u>4,644</u>	<u>4,644</u>	<u>671</u>	<u>671</u>

Highlights Productions

Notes to the Financial Statements (continued)

Year Ended 31 March 2024

8. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Performance costs	97,025	54,460	151,485
Staff costs	121,377	16,700	138,077
Administration	6,704	2,658	9,362
Marketing and advertising	12,062	7,173	19,235
Grants payable	–	52,000	52,000
Premises costs	6,424	–	6,424
Depreciation	1,176	–	1,176
Legal and professional fees	2,344	2,030	4,374
	<u>247,112</u>	<u>135,021</u>	<u>382,133</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Performance costs	95,967	13,410	109,377
Staff costs	83,738	3,523	87,261
Administration	7,133	2,021	9,154
Marketing and advertising	13,502	–	13,502
Grants payable	600	34,310	34,910
Premises costs	5,617	470	6,087
Depreciation	1,572	–	1,572
Legal and professional fees	870	–	870
	<u>208,999</u>	<u>53,734</u>	<u>262,733</u>

9. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Grant funding of activities £	Total funds 2024 £	Total fund 2023 £
Performance costs	151,485	–	151,485	109,377
Staff costs	138,077	–	138,077	87,261
Administration	9,362	–	9,362	9,154
Marketing and advertising	19,235	–	19,235	13,502
Grants payable	–	52,000	52,000	34,910
Premises costs	6,424	–	6,424	6,087
Depreciation	1,176	–	1,176	1,572
Legal and professional fees	4,374	–	4,374	870
	<u>330,133</u>	<u>52,000</u>	<u>382,133</u>	<u>262,733</u>

Highlights Productions

Notes to the Financial Statements (continued)

Year Ended 31 March 2024

10. Analysis of Grants

	2024 £	2023 £
Grants to Institutions		
Arts Out West	43,040	34,310
Heron Theatre	600	600
HANDS Legacy Bursaries	8,360	–
	<u>52,000</u>	<u>34,910</u>
Total grants	<u>52,000</u>	<u>34,910</u>

11. Net (Expenditure)/Income

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

	2024 £	2023 £
Depreciation of tangible fixed assets	<u>1,176</u>	<u>1,572</u>

12. Independent Examination Fees

	2024 £	2023 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>990</u>	<u>870</u>

13. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024 £	2023 £
Wages and salaries	121,039	72,547
Social security costs	4,172	326
Employer contributions to pension plans	3,631	2,196
	<u>128,842</u>	<u>75,069</u>

The average head count of employees during the year was 6 (2023: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2024 No.	2023 No.
Direct staff	4	1
Admin and office staff	2	1
	<u>6</u>	<u>2</u>

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £45,465 (2023:£35,690).

Highlights Productions

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2024

14. Trustee Remuneration and Expenses

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the year to any trustee or to any person or persons known to be connected with any of them.

One trustee was reimbursed a total of £129 for travel expenses in the year (2023 - Three trustees reimbursed a total of £432).

15. Transfers Between Funds

During the year £4,850 was transferred from restricted to unrestricted funds. This represented management costs for HANDS and Participate projects.

16. Tangible Fixed Assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 April 2023 and 31 March 2024	<u>9,288</u>	<u>20,766</u>	<u>30,054</u>
Depreciation			
At 1 April 2023	9,042	16,295	25,337
Charge for the year	<u>60</u>	<u>1,116</u>	<u>1,176</u>
At 31 March 2024	<u>9,102</u>	<u>17,411</u>	<u>26,513</u>
Carrying amount			
At 31 March 2024	<u>186</u>	<u>3,355</u>	<u>3,541</u>
At 31 March 2023	<u>246</u>	<u>4,471</u>	<u>4,717</u>

17. Debtors

	2024 £	2023 £
Trade debtors	28,793	4,741
Other debtors	<u>5,473</u>	<u>—</u>
	<u>34,266</u>	<u>4,741</u>

Highlights Productions

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2024

18. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	3,119	2,098
Accruals and deferred income	2,114	4,884
Social security and other taxes	—	2,065
	<u>5,233</u>	<u>9,047</u>

19. Pensions and Other Post Retirement Benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,631 (2023: £2,196).

Highlights Productions

Notes to the Financial Statements (continued)

Year Ended 31 March 2024

20. Analysis of Charitable Funds

Unrestricted funds

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
General reserves	107,039	236,664	(241,806)	9,250	111,147
Fixed asset reserves	4,717	–	(1,176)	–	3,541
CRM	3,000	–	–	(3,000)	–
Fundraising support	1,400	–	–	(1,400)	–
Potential office move	2,000	–	(1,838)	–	162
IT development	1,000	–	–	–	1,000
Creative Eng -					
Secondary school	2,500	–	(2,292)	–	208
Commissioning pot	20,000	–	–	–	20,000
Staffing budget	10,000	–	–	–	10,000
Culture Recovery Fund	–	22,500	–	–	22,500
	<u>151,656</u>	<u>259,164</u>	<u>(247,112)</u>	<u>4,850</u>	<u>168,558</u>

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
General reserves	138,402	216,183	(207,427)	(40,119)	107,039
Fixed asset reserves	5,770	–	(1,572)	519	4,717
CRM	–	–	–	3,000	3,000
Fundraising support	–	–	–	1,400	1,400
Potential office move	–	–	–	2,000	2,000
IT development	–	–	–	1,000	1,000
Creative Eng -					
Secondary school	–	–	–	2,500	2,500
Commissioning pot	–	–	–	20,000	20,000
Staffing budget	–	–	–	10,000	10,000
	<u>144,172</u>	<u>216,183</u>	<u>(208,999)</u>	<u>300</u>	<u>151,656</u>

Highlights Productions

Notes to the Financial Statements (continued)

Year Ended 31 March 2024

20. Analysis of Charitable Funds (continued)

Restricted funds

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
HANDS	25,263	4,937	(26,982)	(1,370)	1,848
Arts Out West	–	43,640	(43,640)	–	–
Participate	12,810	17,372	(18,251)	(3,480)	8,451
RTDI	5,764	52,765	(46,148)	–	12,381
	<u>43,837</u>	<u>118,714</u>	<u>(135,021)</u>	<u>(4,850)</u>	<u>22,680</u>

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
HANDS	14,187	19,749	(8,373)	(300)	25,263
Arts Out West	–	34,310	(34,310)	–	–
Participate	–	20,290	(7,480)	–	12,810
RTDI	–	9,335	(3,571)	–	5,764
	<u>14,187</u>	<u>83,684</u>	<u>(53,734)</u>	<u>(300)</u>	<u>43,837</u>

21. Analysis of Net Assets Between Funds

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Tangible fixed assets	3,541	–	3,541
Current assets	170,250	22,680	192,930
Creditors less than 1 year	(5,233)	–	(5,233)
Net assets	<u>168,558</u>	<u>22,680</u>	<u>191,238</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Tangible fixed assets	4,717	–	4,717
Current assets	155,986	43,837	199,823
Creditors less than 1 year	(9,047)	–	(9,047)
Net assets	<u>151,656</u>	<u>43,837</u>	<u>195,493</u>

Highlights Productions

Management Information

Year Ended 31 March 2024

The Following Pages Do Not Form Part of the Financial Statements.

Highlights Productions

Detailed Statement of Financial Activities

Year Ended 31 March 2024

	2024 £	2023 £
Income and endowments		
Donations and legacies		
Donations	707	1,323
Gift aid	65	126
Promoters' membership fees	3,440	3,920
Reimbursed expenses	12,808	1,676
ACE NPO Funds	132,694	87,694
ACE NPO Funds (AOW)	43,040	34,310
ACE HANDS	4,937	19,749
Cumbria County Council	–	10,000
Durham County Council	9,374	9,373
Northumberland CC	8,748	9,721
Community Foundation Tyne & Wear	3,080	–
South Lakeland DC	–	5,100
Westmorland & Furness Council	15,100	–
Eden District Council	–	25,000
Cumbria Community Foundation	–	3,000
Sir James Knott Foundation	–	6,160
The Place	47,476	15,335
Culture Recovery Fund	22,500	–
Other grants	1,293	–
	<u>305,262</u>	<u>232,487</u>
Charitable activities		
Workshop income	6,450	4,315
Ticket sales	61,522	62,394
	<u>67,972</u>	<u>66,709</u>
Investment income		
Bank interest receivable	4,644	671
	<u>4,644</u>	<u>671</u>
Total income	<u>377,878</u>	<u>299,867</u>

Highlights Productions

Detailed Statement of Financial Activities (continued)

Year Ended 31 March 2024

	2024 £	2023 £
Expenditure		
Performance costs		
Accommodation	1,043	438
Artists' fees	129,530	102,365
Workshop artist fees	13,218	6,550
Promoter training	667	24
Craft artist fees	7,027	—
	<u>151,485</u>	<u>109,377</u>
Staff costs		
Wages	121,039	72,547
Employer's NIC	4,172	326
Pension costs	3,631	2,196
Freelance work	2,750	7,735
Travel	4,756	3,397
Recruitment	—	626
Staff training and other staff costs	1,729	434
	<u>138,077</u>	<u>87,261</u>
Administration		
Printing and stationery	188	(3)
Refreshments	937	143
Postage	49	118
Telephone	1,085	725
Computer & website expenses	2,425	2,959
Photocopying	607	679
Subscriptions	764	1,175
Administration	1,647	307
Research costs	323	2,374
Office equipment	1,107	677
Bank charges and interest	250	—
Bad debts	(20)	—
	<u>9,362</u>	<u>9,154</u>

Highlights Productions

Detailed Statement of Financial Activities *(continued)*

Year Ended 31 March 2024

	2024 £	2023 £
Marketing and advertising		
Advertising and marketing	10,436	3,749
Brochures	4,082	4,906
Mailing list	2,655	1,157
Photographs	140	180
Posters	1,922	3,510
	<u>19,235</u>	<u>13,502</u>
Grants payable		
Arts Out West	43,040	34,310
Heron Theatre	600	600
HANDS Bursaries	8,360	—
	<u>52,000</u>	<u>34,910</u>
Premises costs		
Rent	3,000	2,400
Water rates	130	—
Light and heat	973	703
Repairs and renewals	602	118
Insurance	1,424	1,476
Laundry and cleaning	257	480
Room hire	38	910
	<u>6,424</u>	<u>6,087</u>
Depreciation		
Deprecation	<u>1,176</u>	<u>1,572</u>
Legal and professional fees		
Accountancy fees	990	870
Organisatiional development	2,799	—
Other costs	585	—
	<u>4,374</u>	<u>870</u>
Total expenditure	<u>382,133</u>	<u>262,733</u>
Net (expenditure)/income	<u>(4,255)</u>	<u>37,134</u>