

ROSEHILL ARTS TRUST LIMITED

(A CHARITABLE COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021

Registered number: 630615

Charity number: 250846



ROSEHILL ARTS TRUST LIMITED
FINANCIAL STATEMENTS
for the Year ended 31st March 2021

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ROSEHILL ARTS TRUST LIMITED**TRUSTEES' ANNUAL REPORT
For the Year ended 31st March 2021**

The trustees present their annual report and financial statements of the charity for the year ended 31st March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements 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).

Company Information

Rosehill Arts Trust Limited is a registered charity, charity number 250846 and is constituted as a company limited by guarantee, incorporated in England on 17 June 1959, company number 630615. Its address is Rosehill Theatre, Moresby, Whitehaven, CA28 6SE.

Trustees and Directors

John Clarke - Chair
Yvonne Clarkson
Richard Elder (resigned 31 December 2020)
Peter Mann (resigned 24 November 2021)
Lucy Sekers
Deanne Shallcross (appointed 13 January 2021)
Andrew Smith
Paul Terry

During the period covered by this report the day to day management of the charity was delegated to the Director of the theatre, Richard Elder. Following his resignation at the end of December 2020, delegation of the management of the charity passed to Deanne Shallcross, who took up her role as Executive Director of RATL on 1 January 2021 and was appointed to the Board of Trustees on 13 January 2021.

Bankers

National Westminster Bank plc
71 Lowther Street
Whitehaven
CA28 7AD

HSBC Bank plc
69 Lowther Street
Whitehaven
CA28 7AD

Solicitors

Burnetts
Victoria House
Wavell Drive
Rosehill
Carlisle
CA1 2ST

Accountants

Lamont Pridmore Chartered Accountants
Milburn House
3 Oxford Street
Workington
CA14 2AL

Structure, Governance and Management

Rosehill Arts Trust is constituted as a company limited by guarantee. Its objects, powers and other constitutional matters are set out in its Memorandum and Articles of Association.

The governing body is the Board of Trustees, which meet not less than four times a year. It retains full and effective control over the Company, is responsible for major strategic decisions and has ultimate responsibility for the conduct and financial stability of the organisation. The affairs of Rosehill Arts Trust are subject to monitoring and appraisal by Arts Council England (Rosehill is a National Portfolio Organisation). The Board may be joined at its meetings by an officer of the Arts Council and a representative from Copeland Community Fund, which was a major funder of the building redevelopment, completed in March 2017, and remains a significant financial supporter. The Board of Trustees, together with these non-voting members, monitors the work of the CEO and other officers, who conduct the day to day management of the Company.

ROSEHILL ARTS TRUST LIMITED

TRUSTEES' ANNUAL REPORT For the Year ended 31st March 2021

The year 2020/2021 started with the operations of the trading company RTEL (Rosehill Theatre Enterprises) having been transferred to Rosehill Arts Trust (RATL) during the previous year, following the amendment of RATL's objects, as reported in last year's accounts.

Appointment of Trustees

In accordance with the Articles of Association in effect during this financial year, the number of Trustees from time to time is not less than three.

Induction of Trustees

New Trustees are familiarised with key statutory documents and other information about Rosehill Arts Trust, its activities and operations. In addition, they are given guidance, as necessary, on the responsibilities of directors of a company limited by guarantee. They meet informally with the Chair, other Trustees and the CEO.

Related Parties

The Trust has key relationships with Arts Council England, Britain's Energy Coast, Copeland Community Fund, Sellafield Limited, and a number of trusts, foundations, corporates and individuals.

Organisational Structure and Risk Management

The Trustees are responsible for major strategic decisions, in association with the CEO, with the operations of the theatre managed by the CEO, who is also a trustee and reports directly to the Board. There are clearly set limits on capital expenditure that can be authorised by the CEO without reference to the Chair initially and subsequently to the Board. Management accounts are presented to Board meetings.

The Board of Trustees has assessed the major risks to which the charity is exposed and this is reviewed at the regular meetings.

Objectives and Activities

Objects

The objects of the Trust are set out in detail in the Memorandum of Association. Essentially, they are to present a wide range of artistic productions that are of educational and cultural value to the community and to manage and maintain appropriate premises at Rosehill Theatre.

Mission Statement

Rosehill's mission and purpose is to provide high quality performing arts and entertainment in intimate and unusual settings, building on its exceptional founding vision by:

- producing a series of high-quality performances, events and activities
- working with young people and those in the various surrounding communities developing new and experimental approaches, increasing awareness and involvement in cultural activity and the performing arts
- appealing to and developing a broad and diverse audience, encouraging inclusivity
- being a destination venue generating attendance both from within the community and further afield
- developing awareness and knowledge of its remarkable history, partners and programming

With the strapline 'Lifting spirits, Changing Lives, Together', our vision for 2020 to 2025 is to bring about positive and lasting cultural, social and economic impact in West Cumbria through community building, creative development, business integration, resilience and capital development.

Rosehill is a local theatre aiming to be of national note and prominence.

Rosehill is a cultural hub: a crucial anchor in our community and a vital asset for West Cumbria. We passionately believe culture is key to building creative, resilient and hopeful communities, and our impact extends far beyond our building. Our Grade II listed theatre has been bringing world-class cultural and creative events and experiences to our geographically remote population for over 60 years. We offer a rich and varied programme of music, theatre, comedy, film, spoken word, dedicated activities for children and young people, craft workshops, participatory activities and more, with quality at the heart of all we do.

ROSEHILL ARTS TRUST LIMITED**TRUSTEES' ANNUAL REPORT
For the Year ended 31st March 2021**

The majority of the financial year covered by this report saw Rosehill severely hit by the impact of the Covid-19 pandemic – and at the time of writing this report, operations continue to be affected by pandemic-related challenges. These include last-minute postponements, Covid diagnoses/self-isolation requirements among staff members and visiting companies, and the more cautious audiences showing a reluctance to return.

The next 12 months will be pivotal for Rosehill, not only because of our crucial recovery from the impacts of the Covid pandemic, but as the year in which we reshape our organisation to lay the foundations for sustainability and success in the years ahead. Planning has been under way for some time and a good deal of preparatory and complementary work has already been carried out.

Summary of Activities

The events of the past year have served to accelerate Rosehill's ongoing strategic evolution.

Covid Recovery

While the Covid pandemic has had a profound impact on our organisation, and on our community, it has also spawned new ways of working, generated new partnerships, and intensified our focus. As we move into recovery and look to the future, a review of our strategic 20:25 Vision – developed in early 2020 and aimed at increasing Rosehill's cultural and socio-economic impact – has shown it to be extraordinarily prophetic as the priorities we set at the time have become even more relevant to our current situation. To that end, our work over the next 12 months – and beyond – will be bold and ambitious and absolutely focused on delivering our vision in a new, post-Covid context.

Rosehill has a vital role to play in our community's wellbeing, by bringing people together, providing a platform for self-expression, and offering moments of emotional release and collective joy. At a time of rising unemployment, and a particularly harsh outlook for young people, we are well placed to work with partners to develop confidence, skills, and career opportunities.

Leadership change and restructure

Director Richard Elder stepped down as a trustee in December 2020 and left Rosehill in March 2021, after leading the organisation's transformation for the past 12 years. The role encompassed both artistic and executive leadership, and membership of the board. Rather than move to like-for-like replacement, the board appointed Business Development and Communications Manager Deanne Shallcross to the new role of Executive Director and CEO, and placed recruitment of artistic leadership on hold pending the outcome of an organisational review – recommended by Arts Council England and supported through a National Lottery Project Grant. We outsourced some senior functions and, in the past year, internal role shifts, furloughing and selective redundancy altered the make-up of our small staff team.

Creative R&D

Thanks to a significant grant from the Garfield Weston Culture Fund (GWCF), we have been able to progress plans to recruit a Creative and Community Development Producer, who will lead a process of community engagement and creative R&D until March 2022. This is an exceptional opportunity to progress our 20:25 Vision through a period of listening, learning and experimentation, and will inform Rosehill's future artistic direction.

The results of both this R&D work and our organisational review will support future sustainability by developing new and stronger governance and management and innovative partnerships. They will strengthen our case with funders, and develop commercial opportunities that are complementary to our funded work.

ROSEHILL ARTS TRUST LIMITED

TRUSTEES' ANNUAL REPORT For the Year ended 31st March 2021

Financial Sustainability

Rosehill has been an Arts Council National Portfolio Organisation for many years, and through ACE and the DCMS we have also received invaluable Covid recovery funding. As the pandemic hit, we acted immediately to drive costs to the minimum and agreed deferral of project funding. We minimised staff costs through furlough and flexible working, and took up all available Government schemes and measures, including the full £25k Business Support Grant, rates relief, VAT deferral, Job Retention Scheme, Closed Business Lockdown, LRSG and Restart grants, and a Bounce Back Loan.

To support risk management, the board met fortnightly through the lockdowns and continue to meet at least monthly while we remain focused on recovery. The board and executive have worked swiftly and imaginatively throughout this period, with dynamic planning, including a range of Covid-safe programme options, allowing us to adapt as restrictions have changed.

ACE's new *Let's Create* strategy aligns strongly with our Vision, and we aim to strengthen this relationship in the next NPO round. In recent years, Sellafield has been Rosehill's largest funder. Following a policy shift, Sellafield declined Rosehill's funding application in 2020/21, and it is not yet possible to predict how the relationship may re-form in the future. As illustrated by the GWCF grant, we are working to boost our fundraising from trusts and foundations, and exploring what new opportunities may arise from other shifts in the landscape post-Covid, such as the Levelling Up agenda, Local Government Reorganisation, and the arts in health and social prescribing.

The Green Room

Our restaurant operation has had remarkable results as a training organisation, but pre-pandemic it was running at a net loss. While trading through RTEL was challenging, the social impact it provided and the way in which it was intended that this be developed, as a central part of Rosehill's purpose, was significant, making the decision to operate catering and hospitality a complex one. The challenges of catering and hospitality were experienced not only by Rosehill but throughout that sector. Without Sellafield's investment, the existing model was no longer sustainable. In the event, the situation was brought to a head through the Covid-19 pandemic when the restaurant closed and staff were put on furlough through the government's Job Retention Scheme. At the time of writing, the restaurant remains closed while the trustees explore new models, review options and consider commercial income streams.

Equality, Diversity & Inclusion

Equality, Diversity and Inclusion goals are at the heart of our 20:25 Vision, and it is vital that our community is fully represented in our artistic programme, audiences, management and governance.

Ongoing support

The support of key funders, stakeholders, partners and associates remains key to Rosehill's success, for which the trustees are grateful. They also acknowledge the work of the CEO, the team of staff and volunteers, as well as a group of professional associates whose contribution, experience, work and commitment is essential. And the Chair, John Clarke, is grateful to all fellow trustees for their considerable commitment and contribution in making complex and demanding ambitions feasible, particularly through challenging circumstances.

Income

Income from a diverse range of sources is key to Rosehill's success and increasingly so.

In addition to an annual grant from Arts Council England, as a National Portfolio Organisation, of c £63.5k (a four-year funding period started in April 2018, to be extended by a year subject to a successful application), further income comes from trusts and foundations, corporates and individuals.

The potential with the relatively new building is significant but with that comes challenges in delivering the income necessary with which to finance the staffing structure and services. It is this structure and these services which create our increasing artistic, cultural and participatory work, customer-focused services, and – through all of this – significant social impact and value.

ROSEHILL ARTS TRUST LIMITED

TRUSTEES' ANNUAL REPORT For the Year ended 31st March 2021

Creative Activity

Programming and participatory activity are at the centre of Rosehill's purpose, aiming to deliver at a high-quality level throughout whatever the category and type of event. The community we serve is broad and diverse, Rosehill's role is to understand, meet and develop these needs through engagement and an approach that sets out to demystify, to access new audiences, to include and involve.

Cabaret, comedy, drama, film (including live screening), music of many sorts (including classical, folk, jazz, tribute) and community theatre are points of reference in preparing a balanced, diversified and relevant programme. In setting out to entertain, we aim also to present work that challenges perceptions of arts and culture and increases an awareness and deeper understanding of contemporary and historic social issues. In an area of low cultural engagement, we nurture confidence, social connection, self-expression and self-discovery. We deliver skills development and training and make an important contribution to the local economy, with partnership and collaboration at the heart of all we do.

Covid had a profound impact on Rosehill's ability to operate in 2020-2021. Both our primary activities of theatre and hospitality were locked down for extended periods of time, and often short-notice relaxing of restrictions made it impossible to schedule a meaningful stage programme.

During the first lockdown, The Green Room's Food Boxes project – funded by Sellafield and in partnership with Copeland Borough Council plus our local CAB and Credit Union – supplied healthy, nutritious meals to approximately 120 local people in 40 households each week, while also keeping our locally recruited apprentices in active employment and training. We also developed a 'click and collect' option from the restaurant, challenging our staff and apprentices to think creatively about commercial opportunities for 'eat at home' dining, while further enhancing perceptions of Rosehill as a place of relevance to the community.

We organised open-air drive-in performances that included music and community-based stories, with sound broadcast to the audience's car radios, enabling us to offer high-quality, fully accessible performance safely and innovatively. We also arranged for a recording of professional and familiar artists at three key periods during the year – all of which were distributed digitally and free of charge.

When restrictions eased, we partially reopened while retaining physical distancing in response to audiences' needs. Some performances were adapted to digital, as well as supporting a local premier screening at another venue. Activity as part of our NLHF-funded Creative Connections programme was able to restart through the use of flexible furlough, including work on a free exhibition and film screenings, and we developed a schools songwriting project in partnership with Opera North to be delivered through a mix of digital and in-person events.

Other ideas developed during lockdown, to be expanded on over the following year, included school holiday workshops through Cumbria County Council's funded HAF programme, hosting a variety of 'Pay What You Decide' shows, working with community groups on 'takeover' days, arranging a free community open day at Rosehill and expanding on pilot project work with representatives from the NHS, DWP and others.

More details of our programme and participatory work are available by emailing info@rosehilltheatre.co.uk

Financial review

The charity's statement of financial activities shows a net surplus of income over expenditure of £74,845.

The charity's wholly owned trading subsidiary, Rosehill Theatre Enterprises Limited, suffered a net loss before taxation during the year. With effect from 1 April 2020 the trustees of Rosehill Arts Trust Limited transferred the subsidiary's activities into the charity as provided by the amended Memorandum and Articles of Association.

Reserves policy and going concern

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to ensure that support and governance costs are covered.

ROSEHILL ARTS TRUST LIMITED**TRUSTEES' ANNUAL REPORT
For the Year ended 31st March 2021**

The balance held as unrestricted funds at 31st March 2021 was £1,838,687, of which £289,338 were free reserves in deficit after allowing for funds tied up in tangible fixed assets of £2,128,025. This situation is largely attributable to an operating deficit and the trustees are endeavouring to reverse this position by restoring the reserves to a nil balance in future years.

The trustees have reviewed the circumstances of Rosehill Arts Trust Limited and anticipate that adequate resources continue to be available to fund the activities of the charity for the foreseeable future. The trustees are of the view that the charity is a going concern.

Statement of trustees' responsibilities

The charity trustees (who are also the directors of Rosehill Arts Trust Limited for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those accounts, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and which enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Accountants

Lamont Pridmore have agreed to offer themselves for reappointment as independent examiners and a resolution to reappoint them will be proposed at the annual general meeting.

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

Approved by the Board of Trustees on 14th December 2021 and signed on its behalf by:



John Clarke
Chair

ROSEHILL ARTS TRUST LIMITED
INDEPENDENT EXAMINER'S REPORT TO THE
TRUSTEES OF ROSEHILL ARTS TRUST LIMITED
For the Year ended 31st March 2021

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts 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 Trust's accounts 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 Company'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 material 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 Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning 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 accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and 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.

Susannah Nixon

Dated: 14th December 2021

Susannah Nixon
Lamont Pridmore (West Cumbria) Limited
Milburn House
3 Oxford Street
Workington
Cumbria
CA14 2AL

ROSEHILL ARTS TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31st March 2021

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOMING RESOURCES						
<i>Voluntary income:</i> Grants and donations	3	352,794	-	338,166	690,960	644,593
<i>Income from charitable activities:</i>						
Operation of theatre and arts centre	4	24,883	-	-	24,883	81,628
<i>Income from activities for generating funds:</i>						
Other income generated	5	411	-	-	411	377
Investment income		7	-	-	7	10
Other income	6	12,412	-	-	12,412	26,603
TOTAL INCOMING RESOURCES		390,507	-	338,166	728,673	753,211
RESOURCES EXPENDED						
<i>Costs of raising funds:</i>						
Fundraising costs	7	616	-	-	616	11,149
<i>Expenditure on charitable activities:</i>						
Operation of theatre and arts centre	7	546,316	-	31,963	578,279	597,480
Governance costs	8	5,000	-	-	5,000	17,146
Depreciation charges - Buildings		43,775	-	-	43,775	45,372
Depreciation charges - Other		18,413	-	7,745	26,158	27,254
TOTAL RESOURCES EXPENDED		614,120	-	39,708	653,828	698,401
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR		(223,613)	-	298,458	74,845	54,810
Transfers between funds		235,424	(43,775)	(191,649)	-	-
Balances brought forward		(301,149)	2,171,800	73,626	1,944,277	1,888,467
Balances carried forward		(289,338)	2,128,025	180,435	2,019,122	1,944,277

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

ROSEHILL ARTS TRUST LIMITED
COMPANY REGISTRATION NUMBER 630615
STATEMENT OF FINANCIAL POSITION

at 31st March 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	11		2,189,370		2,259,279
Investments	12		1		1
			<u>2,189,371</u>		<u>2,259,280</u>
Current assets					
Stocks		770		-	
Debtors	13	307,768		261,511	
Cash at bank and in hand		109,758		8,690	
		<u>418,296</u>		<u>270,201</u>	
Creditors: amounts falling due within one year	14	(80,587)		(139,371)	
		<u>337,709</u>		<u>130,830</u>	
Net current assets/(liabilities)			<u>2,527,080</u>		<u>2,390,110</u>
Total assets less current liabilities					
Creditors: amounts falling due after more than one year	15	(507,958)		(445,833)	
		<u>2,019,122</u>		<u>1,944,277</u>	
Accumulated funds					
Unrestricted funds	17	(289,338)		(301,149)	
Designated funds	17	2,128,025		2,171,800	
Restricted funds	17	180,435		73,626	
Total funds		<u>2,019,122</u>		<u>1,944,277</u>	

For the year ending 31st March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- The members have not required the company to obtain an audit of its accounts 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 accounts.

These financial statements were approved by the members of the Board of Trustees on 14th December 2021 and signed on their behalf by:

John Clarke

Andrew Smith

ROSEHILL ARTS TRUST LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31st March 2021

	Note	2021		2020	
		£	£	£	£
Cash used in operating activities	21		23,335		(83,754)
Cash flows from investing activities					
Interest income			7		10
Purchase of tangible fixed assets			(10,074)		(87,479)
Disposal of tangible fixed assets			10,050		79,862
Cash provided by/(used in) investing activities			<u>23,318</u>		<u>(91,361)</u>
Cash flows from financing activities					
Proceeds of borrowing			77,750		95,833
Cash received from financing activities			<u>77,750</u>		<u>95,833</u>
Increase/(decrease) in cash and cash equivalents in the year			<u>101,068</u>		<u>4,472</u>
Cash and cash equivalents at the beginning of the year			8,690		4,218
Total cash and cash equivalents at the end of the year			<u>109,758</u>		<u>8,690</u>

ROSEHILL ARTS TRUST LIMITED

NOTES TO FINANCIAL STATEMENTS For the Year ended 31st March 2021

1 General information

The charity is 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 Rosehill Theatre, Moresby, Whitehaven, Cumbria, CA28 6SE.

2 Accounting policies

Basis of accounting

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

Rosehill Arts Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Going concern

The current economic conditions as a result of the Covid-19 pandemic continue to create uncertainty over the ability of the charity to carry out its activities and draw audiences. The charity's forecasts and projections, taking account of reasonably possible changes in its operations, show that the charity should be able to operate within its current level of reserves. With the benefit of the government support packages available to help charities through the pandemic as well as the charity's track record of historical funding from the Arts Council of England, Sellafeld and other key stakeholders the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

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.

Incoming resources

Voluntary income including donations, legacies and grants receivable are accounted for when there is entitlement to the funds. This income is only deferred when the grant or donation is specified for a future accounting period or the donor has imposed conditions which must be met before the charity has entitlement.

Income from activities for generating funds is recognised as earned under normal accounting trading practice.

Investment income is recognised on a receivable basis.

Charitable activities income is recognised as earned. This income is deferred when admission fees and similar income is received in advance of the related performance.

Resources expended

Expenditure is recognised when a liability is incurred and is stated net of recoverable VAT.

Fundraising trading costs include the direct cost of sales for the related trading income.

Charitable activities expenditure includes the costs associated with staging performances and related activities and includes the direct costs and the support costs relating to these activities.

Governance costs are those costs associated with meeting the constitutional and statutory requirements of the charity, which comprises the accounts, audit and legal fees.

ROSEHILL ARTS TRUST LIMITED
NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2021

2 Accounting policies (continued)

Funds

The charitable company's funds consist of unrestricted, designated and restricted amounts. The charitable company may use unrestricted amounts at its discretion. Designated funds represent unrestricted funds which have been designated for a specific purpose. Restricted funds represent income contributions which are restricted to a particular purpose, in accordance with the donor's wishes.

Pensions

The company has a defined contribution pension scheme. The cost of the contributions made by the company to the scheme are charged to the profit and loss account as incurred.

Taxation

As a registered charity the company benefits from rates relief and is generally exempt from Corporation Tax and Capital Gains Tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Leases

Rentals paid under operating leases are charged to income as incurred.

Depreciation

Depreciation is provided on the following tangible fixed assets on a straight line basis at rates considered appropriate to write down the cost of each asset to its estimated residual value over its expected useful life as follows:

Freehold property	2% straight line per annum
Furniture and equipment	10% straight line per annum

Depreciation is charged on the revalued amount and expenditure since that valuation evenly over the expected useful life of each class of asset.

ROSEHILL ARTS TRUST LIMITED
NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2021

3 Voluntary income: Grants and donations

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Core grants				
Arts Council England North West	63,433	-	63,433	62,287
Business Support grants				
Copeland Borough Council	40,950	-	40,950	-
Coronavirus Job Retention Scheme	93,497	-	93,497	-
Cultural Recovery Fund	-	203,724	203,724	-
Other grants				
Capital grants	-	16,252	16,252	50,000
Revenue grants	130,391	118,190	248,581	425,000
Taking Part (Youth and Community)	-	-	-	43,394
Donations				
Other donations	24,523	-	24,523	63,912
	<u>352,794</u>	<u>338,166</u>	<u>690,960</u>	<u>644,593</u>

4 Incoming resources from charitable activities

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Performances at Rosehill Theatre	(413)	-	(413)	65,623
Other income	25,296	-	25,296	16,005
	<u>24,883</u>	<u>-</u>	<u>24,883</u>	<u>81,628</u>

5 Incoming resources from activities for generating funds

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Sponsorships and sponsored events	411	-	411	377
	<u>411</u>	<u>-</u>	<u>411</u>	<u>377</u>

ROSEHILL ARTS TRUST LIMITED

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2021

6 Other income

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Management fees received	-	-	-	17,294
Car parking fees received	12,412	-	12,412	9,309
	<u>12,412</u>	<u>-</u>	<u>12,412</u>	<u>26,603</u>

7 Expenditure on charitable activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Performances	7,721	-	3,278	10,999	111,478
Taking Part project	-	-	-	-	39,465
Fundraising costs	616	-	-	616	11,149
Salaries & employer NI	353,485	-	19,878	373,363	216,637
Staff pension costs	23,754	-	470	24,224	5,173
Training & recruitment	167	-	-	167	319
Rates & utilities	14,871	-	375	15,246	33,758
Repairs & renewals	11,568	-	-	11,568	19,265
Cleaning, consumables & refuse	3,294	-	-	3,294	17,240
Telephone & internet	10,217	-	-	10,217	7,022
Printing, stationery & photocopying	1,776	-	-	1,776	6,067
Postage	206	-	-	206	2,126
Computer supplies & maintenance	1,006	-	-	1,006	2,175
Insurance	5,876	-	-	5,876	9,806
Bank & credit card charges	7,224	-	-	7,224	10,337
Legal & professional fees	82,294	-	-	82,294	42,262
Travel & subsistence	-	-	-	-	7,401
Business entertaining	-	-	-	-	249
Licences & subscriptions	3,394	-	100	3,494	1,036
Catering	14,733	-	5,300	20,033	-
General expenses	559	-	1,498	2,057	33,487
Marketing costs	2,968	-	2,267	5,235	32,177
	<u>546,950</u>	<u>-</u>	<u>31,963</u>	<u>578,895</u>	<u>608,629</u>

8 Governance costs

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Accountancy fees	5,000	-	-	5,000	17,146
	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>17,146</u>

ROSEHILL ARTS TRUST LIMITED
NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2021

9 Net outgoing resources for the year

	2021	2020
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	69,933	72,626
	<u>69,933</u>	<u>72,626</u>

10 Staff costs and trustees' remuneration

	2021	2020
	£	£
Staff costs include the following:		
Wages and salaries	361,522	203,701
Social security costs	11,802	12,936
Pension costs	24,224	5,173
	<u>397,548</u>	<u>221,810</u>

The average number of persons employed part time and full time during the year was:

	Number	Number
Total number of staff	19	12
	<u>19</u>	<u>12</u>

None of the trustees received any emoluments or reimbursed expenses during the year. None of the employees received £60,000 or more in the year.

ROSEHILL ARTS TRUST LIMITED
NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2021

11 Tangible fixed assets

	Freehold Land & Buildings £	Furniture and Equipment £	TOTAL £
COST OR VALUATION			
At 1st April 2020	2,188,747	371,581	2,560,328
Additions	-	10,074	10,074
Disposals	-	(10,050)	(10,050)
	<u>2,188,747</u>	<u>371,605</u>	<u>2,560,352</u>
At 31st March 2021			
DEPRECIATION			
At 1 st April 2020	136,573	164,476	301,049
Charge for the year	43,775	26,158	69,933
	<u>180,348</u>	<u>190,634</u>	<u>370,982</u>
At 31st March 2021			
NET BOOK VALUE			
At 31st March 2021	<u>2,008,399</u>	<u>180,971</u>	<u>2,189,370</u>
At 31st March 2020	<u>2,052,174</u>	<u>207,105</u>	<u>2,259,279</u>

In respect of assets stated at valuations, the comparable historical cost and depreciation values are as follows:

Net book value of revalued tangible fixed assets:

NBV at 31st March 2021	<u>2,008,399</u>	<u>-</u>	<u>2,008,399</u>
Historical cost	<u>2,815,810</u>	<u>-</u>	<u>2,815,810</u>
	2021	2020	
	£	£	
Capital expenditure contracted for at 31 st March 2021 but not provided for in the accounts	<u>Nil</u>	<u>Nil</u>	

12 Investments

	£
COST	
At 1st April 2020 and 31st March 2021	<u>1</u>
NET BOOK VALUE	
At 1st April 2020 and 31st March 2021	<u>1</u>

Subsidiary undertaking

The company's investment in its subsidiary company represents the cost of acquisition of 100% of the share capital of Rosehill Theatre Enterprises Limited.

ROSEHILL ARTS TRUST LIMITED
NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2021

13 Debtors

	2021	2020
	£	£
Amounts falling due within one year		
Trade debtors	1,791	1,149
Amounts owed by participating interests	280,987	257,213
Other debtors	6	118
Prepayments	1,058	3,031
VAT refund due	6,755	-
Deferred Income	17,171	-
	<u>307,768</u>	<u>261,511</u>

The debtors above include the following amounts falling due after more than one year:

	2021	2020
	£	£
Amounts owed by participating interests	<u>280,987</u>	<u>257,213</u>

14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	8,938	79,925
Taxation and social security	4,452	20,290
Advance bookings	6,597	6,007
Accruals	19,893	16,000
Bank and other loans	15,625	-
Other creditors	25,082	17,149
	<u>80,587</u>	<u>139,371</u>

15 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank and other loans	420,208	445,833
Other creditors	87,750	-
	<u>507,958</u>	<u>445,833</u>

Included within bank and other loans falling due after more than one year is loan finance provided by Cumbria County Council at an interest rate of 1% p.a. The loan is secured by a charge over the company's freehold land and property and is due to be repaid by instalments.

ROSEHILL ARTS TRUST LIMITED
NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2021

16 Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	12,411	12,999
Later than 1 year and not later than 5 years	2,982	6,221
	<u>15,393</u>	<u>19,220</u>

17 Statement of funds

The movement in the year is as follows:

	At 01.04.20	Income	Expenditure	Transfers	At 31.03.21
	£	£	£	£	£
Unrestricted funds					
Accumulated fund	(301,149)	390,507	(614,120)	235,424	(289,338)
Designated funds:					
Land and buildings revaluation	352,670	-	-	-	352,670
Transfer of capital building project	1,819,130	-	-	(43,775)	1,775,355
	<u>1,870,651</u>	<u>390,507</u>	<u>(614,120)</u>	<u>191,649</u>	<u>1,838,687</u>
Restricted funds					
Taking Part	8,933	-	(17,971)	16,274	7,236
Projector Fund	5,888	16,252	(4,112)	-	18,028
Sellafield 60 th	16,305	-	-	-	16,305
Key Fund – Capital	42,500	-	(3,634)	-	38,866
Food Boxes	-	18,190	(13,991)	(4,199)	-
Garfield Weston	-	100,000	-	-	100,000
Cultural Recovery Fund 1	-	203,724	-	(203,724)	-
	<u>73,626</u>	<u>338,166</u>	<u>(39,708)</u>	<u>(191,649)</u>	<u>180,435</u>
Total funds	<u>1,944,277</u>	<u>728,673</u>	<u>(653,828)</u>	<u>-</u>	<u>2,019,122</u>

18 Analysis of net assets between funds

	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
Fixed assets	61,346	2,128,025	-	2,189,371
Current assets	237,861	-	180,435	418,296
Current liabilities	(80,587)	-	-	(80,587)
Long term liabilities	(507,958)	-	-	(507,958)
	<u>(289,338)</u>	<u>2,128,025</u>	<u>180,435</u>	<u>2,019,122</u>

ROSEHILL ARTS TRUST LIMITED

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2021**19 Related party transactions**

The company is owed £280,987 (2020: £257,213) by Rosehill Theatre Enterprises Limited, a wholly owned subsidiary company limited by guarantee. This loan is interest free, has no specific repayment date and is included in debtors at the year end.

Arts Council England North West and Copeland Borough Council are entitled to have representation on the Management Committee. The following is a summary of transactions with those entities:

	2021 £	2020 £
Revenue Funding		
Arts Council England North West	63,433	62,287

The above funding was received either as core funding or for specific projects.

At the year end there were no amounts outstanding in respect of these grants (2020: £Nil).

The charity trustees were not paid or reimbursed expenses during the year and no charity trustee received any emolument or payment for professional or other services.

20 Company status

The charity is a company limited by guarantee and has no share capital. 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.

21 Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	74,845	54,810
Add back depreciation charge	69,933	72,626
Interest receivable	(7)	(10)
Decrease/(increase) in stock	(770)	-
Decrease/(increase) in debtors	(46,257)	(121,742)
Increase/(decrease) in creditors	(74,409)	(89,438)
Net cash used in operating activities	23,335	(83,754)