

ROSEHILL ARTS TRUST LIMITED

(A CHARITABLE COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2023

Registered number: 630615

Charity number: 250846



ROSEHILL ARTS TRUST LIMITED
FINANCIAL STATEMENTS
for the Year ended 31st March 2023

CONTENTS

	Page
Trustees' report	2
Accountant's report	3
Statement of financial activities	4
Statement of financial position	5
Statement of cash flows	6
Notes to the accounts	7 to 15

ROSEHILL ARTS TRUST LIMITED

TRUSTEES' ANNUAL REPORT For the Year ended 31st March 2023

The trustees present their annual report and financial statements of the charity for the year ended 31st March 2023 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 2019).

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

Lucy Sekers

Deanne Shallcross – Executive Director & CEO (resigned 21 July 2023)

Andrew Smith

Paul Terry

Kim Kimberlee-Smith (appointed 6 September 2022)

Alexandra Ward (appointed 6 September 2022)

Eleanor Cummings (appointed 6 September 2022)

Roger Wilson (appointed 6 December 2022)

Daniel Whitehouse – Creative Director (appointed as Interim CEO and Trustee 21 July 2023)

During the period covered by this report, the day-to-day management of the charity was delegated to the Executive Director and CEO of the theatre, Deanne Shallcross.

Bankers

National Westminster Bank plc
71 Lowther Street
Whitehaven
CA28 7AH

HSBC Bank plc
3 Pow Street
Workington
CA14 3AT

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 meets at least four times yearly. It retains complete and adequate control over the Company, is responsible for major strategic decisions, and is ultimately accountable for the organisation's conduct and financial stability.

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, a significant funder of the building redevelopment, completed in March 2017, and remains an important financial supporter. The Board of Trustees, together with these non-voting members, monitors the work of the CEO and other officers who conduct the Company's day-to-day management.

ROSEHILL ARTS TRUST LIMITED

TRUSTEES' ANNUAL REPORT For the Year ended 31st March 2023

Four new trustees joined during the year, three in September and one in December 2022.

Outside the financial reporting period, in July 2023, Deanne Shallcross resigned as CEO and Trustee to take up a critical position elsewhere in West Cumbria. Consequent to this, Daniel Whitehouse stepped up to the position of Interim CEO and was also appointed as a Trustee.

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 familiar with critical 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 vital relationships with Arts Council England, Copeland Community Fund, Sellafield Limited, Copeland Borough Council, Cumbria County Council and several trusts, foundations, corporations and individuals. While outside this report, it is worth noting the change in local government structures from April 2023, resulting in the demise of Copeland Borough Council and Cumbria County Council and the creation of a new Unitary Authority covering West Cumbria – Cumberland Council.

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 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 significant 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 of educational and cultural value to the community and manage and maintain appropriate premises at Rosehill Theatre.

Mission Statement

The main strategic direction of Rosehill, together with our purpose and aims, remains unchanged from last year. This has been a year of consolidation and implementation rather than change.

Our Vision is to bring about positive and lasting cultural and social impact in West Cumbria, where everyone can access quality arts and cultural experiences.

Our Mission is to promote well-being, enjoyment and connection through socially responsive, community-led, thought-provoking and place-inspired cultural experiences and development opportunities.

Our core aims are:

- to develop stronger and connected communities through collaborative cultural initiatives which respond to local needs and support community wellbeing.
- to collaborate with the community to improve access to a full range of cultural opportunities wherever people live, with a strong emphasis on family.
- to develop stronger cultural partnerships and support the local cultural infrastructure through building skills and capacity in the cultural sector and growing its economic impact.

ROSEHILL ARTS TRUST LIMITED

TRUSTEES' ANNUAL REPORT
For the Year ended 31st March 2023

Rosehill is a cultural hub, a crucial anchor in our community and a vital asset for West Cumbria. We passionately believe culture is critical to building creative, resilient and hopeful communities, and our impact extends far beyond our building.

Our Grade II listed theatre has brought 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, creative wellness, and other participatory activities, with quality at the heart of all we do.

Rosehill is an essential Arts Council England (ACE) National Portfolio Organisation (NPO) in Copeland and a Priority Place for both ACE and Levelling Up for Culture. West Cumbria has a high proportion of low cultural engagement at 59% (England 33%) and within a five-mile radius of Rosehill lie the most deprived wards in Cumbria, which are in the 10% most deprived in England. Our focus has been on creating cultural value with and for these communities.

During the year, we applied for a significant uplift in financial support from ACE. We were delighted to succeed in that application, with a tripling of our annual grant from April 2023 to March 2026. This vote of confidence from ACE also helped us secure matched funding from Sellafield Ltd for the same period. The combination of these provides Rosehill with a solid financial basis in the future. The trustees are enormously grateful to ACE and Sellafield Ltd for their support.

Summary of Activities

This has been the first year in a 'post-Covid' world. While government-imposed restrictions were all lifted and everyone tried to return to normal, it is clear that all is not back to the 'pre-Covid' position. Some audiences have remained reluctant to return to the theatre, and several performers have had to cancel or postpone events due to the lingering effects of the pandemic. However, we are pleased that we were able to increase the number of events throughout the year progressively. While there was a reduction in theatre activity in the post-Christmas period, this was a conscious action to manage our tight cash position.

Partly prompted by COVID-19 but mainly by our review of our purpose and aims, we have had an increased focus on activities outside the theatre during the year. This has involved expanding our links with other community groups and collaborating with them to deliver several services within the community. Many of these activities have focussed on 'creative wellness' – providing much-needed support to community members facing financial, health or otherwise difficulties.

This year has been building upon the Organisational Review conducted last year and the work done under the Garfield Weston Foundation project. Several key policies have been updated, and new ones have been created to improve our overall governance. Board meetings have been modified to ensure four formal board meetings per year with 'workshop' sessions and board sub-group meetings between board meetings to address specific issues. In so doing, we have ensured greater separation between governance and the day-to-day running of the organisation.

Deanne Shallcross has worked tirelessly during the year to re-form relationships lost during the pandemic and forge new connections throughout our community and with others who provide services.

Initially recruited to lead the Garfield Weston Foundation-funded project, Daniel Whitehouse was substantively appointed as Creative Director. Daniel has also played a key role in helping forge new relationships throughout the community, securing additional funding from various sources (local and national) and implementing a progressive programme of events in the theatre and within the community.

Between Deanne and Daniel, the trustees are confident that we have cemented our place as a cultural hub and a vital component of the broader social fabric of West Cumbria. Feedback from the full range of stakeholders confirms that we are seen as an open, friendly, approachable, adaptive, flexible, supportive and helpful organisation. The trustees are enormously grateful to Deanne, Daniel, and their team for their work in creating this environment.

ROSEHILL ARTS TRUST LIMITED

TRUSTEES' ANNUAL REPORT For the Year ended 31st March 2023

Rosehill remains a crucial partner in the new West Cumbria Creative People and Places (CPP) programme, on the advisory group for the new West Cumbria Cultural Strategy, and an active member of the Cumbria Arts & Culture Network.

Our place-based arts collaborators include Prism Arts, Mahogany Opera, Kirkgate Arts, Florence Arts Centre, Carnegie Theatre and Theatre by the Lake, and our cross-sector partners include Copeland Wellness Collective, Copeland Work & Skills Partnership, and Copeland Council's Social Inclusion and Social Prescribing teams.

The support of key funders, stakeholders, partners, and associates remains critical to Rosehill's success, for which the trustees are grateful. They are particularly thankful for the continuing outstanding work of the staff, volunteers, and a group of professional associates whose contribution, experience, and commitment are essential.

The trustees would like to thank Deanne Shallcross for her work at Rosehill, most recently as CEO. Deanne departs with our very best wishes and with confidence that we have another ally in a partner organisation in West Cumbria. The trustees thank Daniel Whitehouse for agreeing to step up as interim CEO. A recruitment process for long-term succession is underway.

This has been another challenging year, but we emerged from it more robust than we entered it, particularly with the support of ACE and Sellafield Ltd. The Chair, John Clarke, is grateful to all fellow trustees for their devotion to Rosehill and for their significant time and effort dedicated to supporting our ambitions.

Income

Income from a diverse range of sources is key to Rosehill's success, particularly with limited potential from ticket income due to Rosehill's small capacity at just over 200 seats.

In addition to an annual NPO grant from Arts Council England of £63.5k from 2018 to 2023 (the latter being an extension year, granted due to Covid), a variety of additional income towards our activities has been secured from trusts and foundations, corporates and individuals. As noted above, during the year, Rosehill successfully applied for increased NPO funding from ACE of just over £208k a year, which will begin in April 2023 and run through to March 2026.

The tenancies negotiated last year have continued to be successful. Time To Share, a CIC established in April 2020 to ensure all children and families in Copeland have access to specialist therapeutic bereavement support for as long as they need it, continues its crucial work from Rosehill. Truly Scrumptious, working with the Rosehill staff team, has now successfully re-introduced pre-order food options to specific events. This has brought guaranteed rental income during the year and additional F&B income alongside our scheduled programme of events. Other opportunities are being explored to expand catering services to our mutual advantage.

Private hires and corporate events are proving increasingly popular and have resulted in a rise in commercial income opportunities, which the staff team is looking to develop even further.

The potential of our mostly modern and accessible building is significant, but challenges in delivering the income necessary to finance the staffing structure and services come with that. This structure and these services create our increasing artistic, cultural and participatory work, customer-focused benefits, and – through all of this – significant social impact and value.

Creative Activity

Programming and participatory activities – both in and out of our building – are at the centre of Rosehill's purpose, aiming to deliver at a high quality, 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 to demystify, access new audiences, and include and involve.

ROSEHILL ARTS TRUST LIMITED

TRUSTEES' ANNUAL REPORT For the Year ended 31st March 2023

The past three years have been extremely challenging for Rosehill and our communities. But this challenge has also brought opportunities for reflection, refocusing, and relationship-building to create the foundations for a strong recovery.

We now have an exceptional opportunity to consolidate and deepen Rosehill's impact and resilience. This opportunity is the product of several years' groundwork, which has included: -

- Testing and developing our Vision for socio-economic impact through a year-long programme of Creative R&D involving deep engagement with communities and partners
- Incorporating learning from the Creative R&D into a new Mission and Cultural Strategy
- Commissioning and acting on a wide-ranging Organisational Review
- Focussing our approach to environmental responsibility and EDI development
- Formulating artistic, community and organisational plans, which secured a 229% increase in Arts Council England's core NPO funding.

Building on these foundations, we plan a dramatic expansion in our work for and with communities. Our work will evolve in response to continuous shared learning and become increasingly community-led. The main elements will be as follows: -

- The KIND programme - an extensive new programme of socially engaged activity, co-created with our communities and partners.
- Cultural families - a new and wide-ranging programme created with and for local children and families.
- Place-based development - developing our partnerships, building capacity, and providing skills development for local artists, practitioners, and young people.
- Venue programme - maintaining Rosehill's role as a cultural hub for West Cumbria via a diverse and high-quality year-round programme, both on- and off-site, which represents and resonates with our community.

One of our key projects in late 2022 and early 2023 was to set up a Warm Hub space in partnership with Copeland Council Social Prescribing Teams, Copeland Wellness Service and Groundwork, which both served as a space to support communities through the cost of living crisis but also enabled us to speak face to face to residents about their experiences and stuff that they would like to see happen across the area. We have taken inspiration from the people that we have encountered during the action research phase, and in particular the Hub space, including, but not limited to, volunteers, the partners that we have collaborated with, newly arrived communities wanting to feel welcomed, and residents who needed a space to come to help them feel better connected and get access to support. Through these conversations and creative connections, we have been inspired to reshape our mission and develop and launch what is now called KIND.

In addition to this focused, socially engaged work, we continually work to improve access, from introducing free family festivals as well as Pay What You Decide and Relaxed events to using our building more openly and flexibly, with diverse groups now attending for informal gatherings and formal meetings, from weekly choir sessions to council launch events.

As a result of our recent work, 29% of our audience is now drawn from the four least-engaged groups; 60% of our catchment population is in these four segments, compared to 17% nationally and 26% regionally.

Our core programme continues to offer a range of genres for all ages, including cabaret, comedy, drama, film (from Hollywood blockbusters and arthouse films to live screenings from international opera houses and ballet companies), music of many sorts (classical, folk, jazz, tribute and more), and community theatre, all of which are points of reference in preparing a balanced, diversified and relevant programme.

In setting out to entertain, we also aim to present work that challenges perceptions of arts and culture and increases awareness and deeper understanding of contemporary and historical social issues.

In an area of low cultural engagement, we nurture confidence, social connection and self-expression. We deliver skills development and training and contribute to the local economy.

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

ROSEHILL ARTS TRUST LIMITED**TRUSTEES' ANNUAL REPORT
For the Year ended 31st March 2023****Financial review**

The charity's statement of financial activities shows a net deficit of expenditure over income of £254,461.

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.

The balance held as unrestricted funds at 31st March 2023 was £1,780,813, of which £259,662 were free reserves in deficit after allowing for funds tied up in tangible fixed assets of £2,040,475. 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.

ROSEHILL ARTS TRUST LIMITED

**TRUSTEES' ANNUAL REPORT
For the Year ended 31st March 2023**

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 12th December 2023 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 2023

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

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: 12th December 2023

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 2023

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOMING RESOURCES						
<i>Voluntary income:</i> Grants and donations	3	102,764	-	40,572	143,336	540,127
<i>Income from charitable activities:</i>						
Operation of theatre and arts centre	4	110,893	-	-	110,893	89,238
<i>Income from activities for generating funds:</i>						
Other income generated	5	411	-	-	411	411
Investment income		159	-	-	159	17
Other income	6	22,274	-	-	22,274	12,412
TOTAL INCOMING RESOURCES		236,501	-	40,572	277,073	642,205
RESOURCES EXPENDED						
<i>Costs of raising funds:</i>						
Fundraising costs	7	3,575	-	-	3,575	8,506
<i>Expenditure on charitable activities:</i>						
Operation of theatre and arts centre	7	408,439	-	41,695	450,134	464,981
Governance costs	8	4,288	-	-	4,288	4,083
Depreciation charges - Buildings		43,775	-	-	43,775	43,775
Depreciation charges - Other		18,290	-	11,472	29,762	29,547
TOTAL RESOURCES EXPENDED		478,367	-	53,167	531,534	550,892
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR		(241,866)	-	(12,595)	(254,461)	91,313
Transfers between funds		62,085	(43,775)	(18,310)	-	-
Balances brought forward		(79,881)	2,084,250	106,066	2,110,435	2,019,122
Balances carried forward		(259,662)	2,040,475	75,161	1,855,974	2,110,435

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 2023

	Note	2023	2022
		£	£
Fixed assets			
Tangible assets	11	2,069,734	2,140,627
Investments	12	1	1
		<u>2,069,735</u>	<u>2,140,628</u>
Current assets			
Stocks		2,463	1,851
Debtors	13	356,032	382,699
Cash at bank and in hand		6,349	171,035
		<u>364,844</u>	<u>555,585</u>
Creditors: amounts falling due within one year	14	<u>(114,287)</u>	<u>(107,858)</u>
Net current assets/(liabilities)		<u>250,557</u>	<u>447,727</u>
Total assets less current liabilities		<u>2,320,292</u>	<u>2,588,355</u>
Creditors: amounts falling due after more than one year	15	<u>(464,318)</u>	<u>(477,920)</u>
		<u><u>1,855,974</u></u>	<u><u>2,110,435</u></u>
Accumulated funds			
Unrestricted funds	17	(259,662)	(79,881)
Designated funds	17	2,040,475	2,084,250
Restricted funds	17	75,161	106,066
Total funds		<u><u>1,855,974</u></u>	<u><u>2,110,435</u></u>

For the year ending 31st March 2023 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 12th December 2023 and signed on their behalf by:

John Clarke

Andrew Smith

ROSEHILL ARTS TRUST LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31st March 2023

	Note	2023		2022	
		£	£	£	£
Cash used in operating activities	21		(162,201)		85,839
Cash flows from investing activities					
Interest income			159		17
Purchase of tangible fixed assets			(2,644)		(24,579)
Cash provided by/(used in) investing activities			<u>(164,686)</u>		<u>61,277</u>
Increase/(decrease) in cash and cash equivalents in the year			<u>(164,686)</u>		<u>61,277</u>
Cash and cash equivalents at the beginning of the year			171,035		109,758
Total cash and cash equivalents at the end of the year			<u>6,349</u>		<u>171,035</u>

ROSEHILL ARTS TRUST LIMITED

NOTES TO FINANCIAL STATEMENTS For the Year ended 31st March 2023

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 2019) – (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.

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.

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.

ROSEHILL ARTS TRUST LIMITED

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023**2 Accounting policies (continued)****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 2023

3 Voluntary income: Grants and donations

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Core grants				
Arts Council England North West	63,433	-	63,433	63,433
Business Support grants				
Copeland Borough Council	-	-	-	19,000
Coronavirus Job Retention Scheme	-	-	-	22,203
Cultural Recovery Fund	-	-	-	353,614
Other grants				
Revenue grants	14,950	39,572	54,522	62,899
Donations				
Other donations	24,381	1,000	25,381	18,978
	<u>102,764</u>	<u>40,572</u>	<u>143,336</u>	<u>540,127</u>

4 Incoming resources from charitable activities

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Performances at Rosehill Theatre	82,265	-	82,265	63,472
Other income	28,628	-	28,628	25,766
	<u>110,893</u>	<u>-</u>	<u>110,893</u>	<u>89,238</u>

5 Incoming resources from activities for generating funds

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Sponsorships and sponsored events	411	-	411	411
	<u>411</u>	<u>-</u>	<u>411</u>	<u>411</u>

ROSEHILL ARTS TRUST LIMITED

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023

6 Other income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Car parking fees received	12,412	-	12,412	12,412
Rental Income	9,862	-	9,862	-
	<u>22,274</u>	<u>-</u>	<u>22,274</u>	<u>12,412</u>

7 Expenditure on charitable activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Performances	97,982	-	33,999	131,981	115,663
Fundraising costs	3,575	-	-	3,575	8,506
Salaries & employer NI	167,800	-	4,140	171,940	186,438
Staff pension costs	3,959	-	113	4,072	4,184
Training & recruitment	277	-	-	277	7,575
Rates & utilities	24,226	-	-	24,226	17,282
Repairs & renewals	23,108	-	-	23,108	16,891
Cleaning, consumables & refuse	8,654	-	-	8,654	8,344
Telephone & internet	9,874	-	-	9,874	3,808
Printing, stationery & photocopying	5,265	-	195	5,460	4,908
Postage	663	-	-	663	54
Computer supplies & maintenance	104	-	-	104	4,425
Insurance	8,817	-	-	8,817	7,483
Bank & credit card charges	4,301	-	-	4,301	3,038
Legal & professional fees	13,840	-	-	13,840	36,528
Travel & subsistence	82	-	20	102	165
Licences & subscriptions	4,631	-	11	4,642	7,760
Catering	12,848	-	-	12,848	6,666
General expenses	176	-	1,000	1,176	3,155
Marketing costs	21,831	-	2,217	24,048	30,614
	<u>412,013</u>	<u>-</u>	<u>41,695</u>	<u>453,708</u>	<u>473,487</u>

8 Governance costs

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Accountancy fees	4,288	-	-	4,288	4,083
	<u>4,288</u>	<u>-</u>	<u>-</u>	<u>4,288</u>	<u>4,083</u>

ROSEHILL ARTS TRUST LIMITED
NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023

9 Net outgoing resources for the year

	2023	2022
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	73,537	73,322
	<u>73,537</u>	<u>73,322</u>

10 Staff costs and trustees' remuneration

	2023	2022
	£	£
Staff costs include the following:		
Wages and salaries	162,505	176,294
Social security costs	9,435	10,144
Pension costs	4,072	4,184
	<u>176,012</u>	<u>190,622</u>

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

	Number	Number
Total number of staff	14	11
	<u>14</u>	<u>11</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 2023

11 Tangible fixed assets

	Freehold Land & Buildings £	Furniture and Equipment £	TOTAL £
COST OR VALUATION			
At 1st April 2022	2,188,747	396,184	2,584,931
Additions	-	2,644	2,644
At 31st March 2023	2,188,747	398,828	2,587,575
DEPRECIATION			
At 1st April 2022	224,123	220,181	444,304
Charge for the year	43,775	29,762	73,537
At 31st March 2023	267,898	249,943	517,841
NET BOOK VALUE			
At 31st March 2023	1,920,849	148,885	2,069,734
At 31st March 2022	1,964,624	176,003	2,140,627

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 2023	1,920,849	-	1,920,849
Historical cost	2,815,810	-	2,815,810
	2023 £	2022 £	
Capital expenditure contracted for at 31st March 2023 but not provided for in the accounts	Nil	Nil	

12 Investments

	£
COST	
At 1st April 2022 and 31st March 2023	1
NET BOOK VALUE	
At 1st April 2022 and 31st March 2023	1

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 2023

13 Debtors

	2023	2022
	£	£
Amounts falling due within one year		
Trade debtors	549	6,831
Amounts owed by participating interests	335,960	308,468
Other debtors	1,500	4,294
Prepayments	9,010	7,155
VAT refund due	-	2,909
Deferred Income	9,013	53,042
	<u>356,032</u>	<u>382,699</u>

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

	2023	2022
	£	£
Amounts owed by participating interests	<u>335,960</u>	<u>308,468</u>

14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	15,450	24,001
Taxation and social security	3,125	4,299
Advance bookings	13,247	4,958
Accruals	17,961	31,655
Bank and other loans	38,696	17,614
Other creditors	25,808	25,331
	<u>114,287</u>	<u>107,858</u>

15 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank and other loans	397,568	400,670
Other creditors	66,750	77,250
	<u>464,318</u>	<u>477,920</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 2023

16 Operating leases

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

	2023 £	2022 £
Not later than 1 year	5,218	6,293
Later than 1 year and not later than 5 years	10,744	4,189
	<u>15,962</u>	<u>10,482</u>

17 Statement of funds

The movement in the year is as follows:

	At 01.04.22 £	Income £	Expenditure £	Transfers £	At 31.03.23 £
Unrestricted funds					
Accumulated fund	(79,881)	236,501	(478,367)	62,085	(259,662)
Designated funds:					
Land and buildings revaluation	352,670	-	-	-	352,670
Transfer of capital building project	1,731,580	-	-	(43,775)	1,687,805
	<u>2,004,369</u>	<u>236,501</u>	<u>(478,367)</u>	<u>18,310</u>	<u>1,780,813</u>
Restricted funds					
Taking Part	5	-	-	(5)	-
Projector Fund	13,916	-	(4,112)	-	9,804
Sellafield 60 th	16,305	-	-	(16,305)	-
Key Fund – Capital	33,968	-	(5,162)	-	28,806
Creative Wellness	9,644	21,500	(19,543)	(2,000)	9,601
LUMA Project	-	7,072	-	-	7,072
Youth Project	-	12,000	(6,988)	-	5,012
Garfield Weston	32,228	-	(17,362)	-	14,866
	<u>106,066</u>	<u>40,572</u>	<u>(53,167)</u>	<u>(18,310)</u>	<u>75,161</u>
Total funds	<u>2,110,435</u>	<u>277,073</u>	<u>(531,534)</u>	<u>-</u>	<u>1,855,974</u>

18 Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Fixed assets	29,260	2,040,475	-	2,069,735
Current assets	289,683	-	75,161	364,844
Current liabilities	(114,287)	-	-	(114,287)
Long term liabilities	(464,318)	-	-	(464,318)
	<u>(259,662)</u>	<u>2,040,475</u>	<u>75,161</u>	<u>1,855,974</u>

ROSEHILL ARTS TRUST LIMITED

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023**19 Related party transactions**

The company is owed £335,960 (2022: £308,468) 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:

	2023 £	2022 £
Revenue Funding		
Arts Council England North West	63,433	63,433

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 (2022: £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

	2023 £	2022 £
Net movement in funds	(254,461)	91,313
Add back depreciation charge	73,537	73,322
Interest receivable	(159)	(17)
Decrease/(increase) in stock	(612)	(1,081)
Decrease/(increase) in debtors	26,667	(74,931)
Increase/(decrease) in creditors	(7,173)	(2,767)
Net cash used in operating activities	(162,201)	85,839