

Lake District Music Limited

England & Wales - Charity number 516350

Details

Other names LAKE DISTRICT SUMMER MUSIC LIMITED

Status Registered

Legal form Charitable company

Company number [01887957](#)

Registered 1985-04-15

Register [View on the Charity Commission register](#)

Contact

Address Lake District Music
Aynam Mills
Little Aynam
Kendal
Cumbria
LA9 7AH

Phone 01539 266201

Email nick@ldsm.org.uk

Website <http://www.ldsm.org.uk>

Activities

Objects: To promote, maintain, improve and advance the education and entertainment of the public in the art of Music and the other Arts and, in particular (but without prejudice to the generality of the foregoing) to encourage by means of Summer Schools, Festivals Concerts and other events in the Lake District and elsewhere the study, performance, knowledge, understanding, appreciation and development of the Arts including (but not limited to) Music, Opera, Ballet, Mime, Drama, Cinema, Literature and the Visual Arts and to formulate, prepare and establish schemes therefore, provided that all objects of the Charity shall be of a charitable nature.

Activities: Founded in 1985, Lake District Music has consistently pursued a clear policy of bringing to Cumbria an annual festival and professional summer school of quality and purpose centred principally, but not exclusively, on chamber music.

Classification

- **How:** Makes Grants To Individuals, Provides Services, Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, The General Public/mankind

Geography

- Cumbria

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£262,558	£264,056	-	-
2023-09-30	£232,789	£249,785	-	-
2022-09-30	£245,163	£225,152	-	-
2021-09-30	£238,971	£177,500	-	-
2020-09-30	£86,544	£70,455	-	-

Trustees

Name	Role	Appointed
Owen Nigel Bull	Chair	2022-11-24
Dr Graham Martin Hoadley		2023-12-12
Gabriella Swallow		2024-07-16
Hugh McGill Blair		2023-10-01
JOHN ROBERT WOOD		2022-11-24
Leda Mileto		2024-01-25
Malcolm Gary Heyes		2023-12-12
Sir Christopher James Scott		2024-09-11

Lake District Music Limited

England & Wales - Charity number 516350

Accounts

Lake District Music Limited

(A company limited by guarantee)

Annual Report and Financial Statements

30 September 2024

**Company registration number: 01887957
Charity registration number: 516350**



Lake District Music Limited

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Lake District Music Limited
Reference and Administrative Details

Charity name	Lake District Music Limited
Charity registration number	516350
Company registration number	01887957
Principal office	Stricklandgate House 92 Stricklandgate KENDAL LA9 4PU
Registered office	Stricklandgate House 92 Stricklandgate KENDAL LA9 4PU
Trustees	O N Bull, Chair * W H Sang, Deputy Chairman (resigned 16 October 2023) A R McCooley, Honorary Treasurer * (resigned 12 June 2024) R J D Dodgson MBE (resigned 22 January 2024) M W M Rayner (resigned 12 June 2024) J Rink (resigned 31 October 2024) J Scott (resigned 7 November 2023) C Wardle J R Wood H M Blair (appointed 1 October 2023) M G Heyes G M Hoadley (appointed 12 December 2023) L Mileto (appointed 25 January 2024) C J Scott (appointed 11 September 2024) F L Stuart (appointed 1 October 2023) G Swallow (appointed 16 July 2024)
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

Lake District Music Limited

Trustees' Report for the Year Ended 30 September 2024

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Lake District Music Limited (the company) for the year ended 30 September 2024. The organisation changed its name on 20 October 2023 from Lake District Summer Music Limited to Lake District Music Limited, following the absorption of the activities of The Patrons of Lake District Summer Music, which had hitherto been a separate charity. Throughout this report we therefore refer to Lake District Music in place of Lake District Summer Music.

These 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.

Structure, governance and management

CONSTITUTION

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum and Articles of Association on 15th April 1985. Registered charity number 516350.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charitable company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. All trustees give their time voluntarily and receive no benefits from the charitable company. Any expense reclaimed from the charitable company is detailed in the accounts.

The Trustees attempt to ensure that the board of trustees represent as wide a cross section of the local community as possible and, in particular, that the trustees have appropriate experience to assist the charitable company with its objectives. Traditional business skills as well as music skills are well represented within the board of trustees. The Trustees and the Chairman have worked hard this year to improve the make-up and constitution of the board of trustees and welcome 6 new trustees to bring in the additional skills.

Names of serving Trustees during the year are disclosed on page 1 to the financial statements.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Trustee induction and training

Most Trustees are already familiar with the practical work of the charitable company before becoming trustees. New Trustees are familiarised by the Chairman and Executive Director on its working and the context within which it operates and are given a 'Trustee Welcome Pack'. The main documents which set out the operational framework for the charitable company include the Articles of Association which are presented at induction.

Organisational structure

The Board of Trustees meet quarterly with the Trust's Executive Director and the Artistic Director and are responsible for the strategic direction and policies of the charitable company.

Nicholas Hardisty is the Executive Director. Nicholas is a violinist, holds an MPhil in musicology and joins us after six years as Production Coordinator of The English Concert, one of the world's foremost period orchestras.

Stephen Threlfall is the Artistic Director. Stephen is a cellist, conductor and creative director of numerous artistic projects. He stood down from his role as Director of Music at Chetham's School of Music in 2019 after 24 years during which the school prospered and developed under his musical guidance, commitment to the students, and to the wider musical community.

Bookkeeping services were provided by Dixon & Gibbs Ltd and latterly Gill Rees.

Governance

The Trustees follow the Charity Commission's Good Governance guidelines and the Essential Trustee and carry out regular governance reviews following Lake District Music's Governance Action Plan. This covers Diversity, Board Effectiveness, Decision Making and Control and Stakeholder Mapping to name but a few of the focus areas.

Lake District Music Limited

Trustees' Report for the Year Ended 30 September 2024

Related Parties

Insofar as it is complementary to the charitable company's objectives, the charitable company is guided by local and national policy.

POLICIES AND OBJECTIVES

Purpose and aims

The Board is now actively engaged in a Strategic Planning Process, which is styled as Purpose, Ambition, and Plans and involves defining the company's fundamental reason for existing, what it wants to achieve in short medium and long terms, and detailed plans for achieving these aims.

The first part of this process is now completed - our Purpose is stated as follows;

"To Inspire & Uplift through Music"

This is delivered by the promotion, improvement, and advancement of education and entertainment of the public in music and other arts, and in particular to organise a Spring Series of concerts and a Summer Music Festival of international excellence and recognised standing, including the provision of support for emerging young musicians on the cusp of their careers.

Public benefit

The Company brings a distinct and compelling musical focus to Cumbria's cultural heritage through events that have the power to inspire and transform lives and careers. Lake District Music makes accessible to the communities of Cumbria concerts by world-class artists who would not otherwise perform here. The involvement of the community itself in the festival has been a key feature of recent Festival programmes. Lake District Music also acts as Strategic Cultural Lead partner on behalf of Westmorland & Furness Council, bringing together a network of local arts organisations and working together to better serve their communities.

We attract significant investment to local businesses from national and international tourists and visitors. As an integral part of our Summer Festival, masterclasses and educational projects provide young musicians with the high-quality training and public performance opportunities they need to successfully launch their careers. The Trustees confirm that they have complied with the duties in section 4 of the Charities Act 2006 to have due regard to the guidance published by the Charity Commission on public benefit.

Achievements and performance

REVIEW OF ACTIVITIES

Sadly in the spring of 2024 our founder and Honorary President Renna Kellaway MBE passed away. A celebrated teacher, pianist and chamber musician, she founded the organisation in 1985 bringing world class performances to Cumbria combined with training for talented young musicians. Both features remain current to this day 40 years later and has left an indelible legacy not only upon local communities, but upon generations of the UK's brightest talents who now delight international audiences from Nicola Benedetti and beyond.

We are delighted that her piano protégé, Steven Osborne OBE, himself a regular performer and alumnus of our summer festival, has been appointed as our new President in October 2024.

Including both our spring concert series and summer festival we produced some 49 performances across the year. 4,500+ tickets were sold, welcoming 512 new visitors, all of whom came to watch 135 amazing musicians. Amongst these were 41 emerging musicians who will continue to be nurtured through our soft skills lab and advocacy. 1,000 school children experienced classical music for the first time through our school outreach projects while 400 members of the community also took part in our various workshops and performance opportunities.

While there has been a looming question mark as to the trends of audiences in the post-Covid world, with spikes and drops in attendance across the UK, we are delighted that our audience levels have continued to grow and now surpass those before the pandemic.

"I commend the provision of so many varied and interesting performances of a much higher standard than one might expect, in interesting often beautiful and spectacular venues. Particularly pleasing to encourage emerging talent as well as appreciating familiar artistes. Thank you". – audience feedback

Lake District Music Limited

Trustees' Report for the Year Ended 30 September 2024

Brodsky Quartet, James Pearson Jazz Trio, Jess Dandy (contralto) and Fretwork all prove popular with our audience, taking in some new venues at Cartmel Priory amongst others. 2024 continued to be a big hit for our family programming following 3 previous years of growth, with 10 events in Grizedale, Barrow, Windermere, and Grasmere.

2024 also featured 2 young string quartets amongst our emerging artists, all of whom were resident at the festival, learning from numerous masterclasses and performing both in their original ensembles as well as during prime-time events with senior artists, giving them excellent profile and exposure.

Planning for the 2024/25 and 2025/26 years are well underway having also now appointed a new fulltime Marketing & Development Manager and a part time Production Coordinator both in March 2025. In particular, the Trustees are looking forward to the 40th anniversary this year.

INVESTMENT POLICY AND PERFORMANCE

As outlined in our reserves policy the charity retains a prudent amount of cash for short term requirements. Most of the funds held by the charity are therefore for use within the year of receipt. With this in mind, the Trustees have decided to retain cash with their bank on instant access accounts and also retain a sum on instant access deposit with another competitive account to ensure we take advantage of the excellent interest rates currently available. The positioning of these funds is reviewed annually.

Financial review

For the 2024 financial year, a balanced budget was set with anticipated turnover of £280,000. This 14% increase represented an increase in activity with a new spring concert series, expanded schools outreach programme, and new staff costs.

In the end the year produced turnover of £262,558 and a small deficit of £1,498 this year. Although a deficit is disappointing, considering the economic climate, our income from charitable activities shows an increase of 15%.

The areas which have not performed as well as hoped are individual giving, and trust & foundations sources. Both sources of income are down against our budgeted return by £15,000 in total which contributed towards the deficit.

Support costs of our charitable activities, amounting to £86,243, were £8,000 better than budgeted. The direct costs relating to our charitable activities were £159,529 and over-ran the budget by £4,000. Whilst some areas produced cost savings, higher venue fees and additional box office staff have been the main reason for the increased costs.

The resulting deficit of £1,498 for the financial year has been set against the Company's brought forward unrestricted reserves.

The environment for fundraising for the arts remains extremely challenging and we intend to continue working with a fundraising consultant for the foreseeable future. With the merger of our Patrons company, we hope that this will give us the opportunity to re-engage with our many supporters and generate better ties with them in the future.

We are extremely grateful for the generosity of the trusts, businesses, and individuals who gave grants and made donations to support our work. We would also like to give particular thanks to the Patrons of Lake District Summer Music for their tireless hard work and generous support.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees conduct a regular review of the major risks to which the charitable company is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charitable company faces.

Procedures are in place to ensure compliance with the health and safety of staff and volunteers. The Charitable Company carries appropriate employers' and public liability insurance as well as professional indemnity insurance at an appropriate level and directors and officer's insurance.

RISK MANAGEMENT

The Board has examined the major strategic, business and operational risks that the company faces and has put in place procedures and systems to manage these risks. These risks concern matters such as fire, health and safety of students, staff and audience, data protection, succession planning, and long-term funding.

Lake District Music Limited

Trustees' Report for the Year Ended 30 September 2024

RESERVES POLICY

The reserves policy, which is reviewed and approved by the board annually, sets out an assessment of an appropriate level of our free reserves.

The Trustees have considered the Reserves Policy as at 30th September 2024. They have taken into account all the risks that face the charity during this ongoing period of economic uncertainty. These effects may impact on our income streams and costs, and include the challenges the charity faces in an increasingly competitive fundraising world and the likelihood that small deficits may be incurred in the short term as a result.

The risks that we face include the very real cost of living crisis which is restricting leisure time spend and residual uncertainty amongst some members of the public following the pandemic. The Trustees also note the troubling news regarding closure or withdrawal of considerable funds at short notice from arts organisations, as well as considerable uncertainty surrounding policy changes from the new government that will affect funding from public bodies. Equally the pandemic has taught us that a whole-year's turnover can be significantly reduced by similar global events. These factors are especially pertinent considering the majority of income is received in the latter part of the financial year (when our flagship summer festival takes places) while considerable expenditure for marketing, events, artists, and overheads during preparation phases have already been committed well in advance.


The Trustees have ambitious plans to have a wider and greater impact on our local communities and have brought on new staff to realise those aspirations. However, we do acknowledge that while this is an important positive step forwards, new staff numbers have increased our salary liabilities.

Having reviewed all of these risks the Trustees believe that our Reserves Policy must continue to adhere to our tests of prudence, sufficiency and care of our employees. After due consideration, therefore, we can report that we are confident that our year- end unrestricted reserves of £125,915 represent a fair level for us to carry forward into our next financial year.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 2 May 2025 and signed on its behalf by:



.....
O N Bull
Trustee

Lake District Music Limited

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Lake District Music Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

**Independent Examiner's Report to the Trustees of
Lake District Music Limited**

I report on the accounts of the company for the year ended 30 September 2024, which are set out on pages 8 to 21.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 as amended by the Charities Act 2022 (the Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the Act; and
- state whether particular matters have come to my attention.

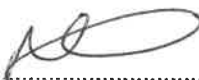
Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....
Martin Borradaile ACA
Dodd & Co Limited
Chartered Accountants

2 May 2025

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Lake District Music Limited

**Statement of Financial Activities (including Income and Expenditure Account) for the Year
Ended 30 September 2024**

		Unrestricted Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
	Note	£	£	£	£
Income and endowments from:					
Donations and legacies	2	90,018	83,154	173,172	156,460
Investments	3	3,499	-	3,499	2,164
Charitable activities	4	85,887	-	85,887	74,165
Total income and endowments		<u>179,404</u>	<u>83,154</u>	<u>262,558</u>	<u>232,789</u>
Expenditure on:					
Charitable activities		<u>180,902</u>	<u>83,154</u>	<u>264,056</u>	<u>249,785</u>
Total expenditure		<u>180,902</u>	<u>83,154</u>	<u>264,056</u>	<u>249,785</u>
Net movements in funds		(1,498)	-	(1,498)	(16,996)
Reconciliation of funds					
Total funds brought forward		<u>127,413</u>	-	<u>127,413</u>	<u>144,409</u>
Total funds carried forward		<u>125,915</u>	-	<u>125,915</u>	<u>127,413</u>

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 10 to 21 form an integral part of these financial statements.

Lake District Music Limited
Company registration number: 01887957
Balance Sheet as at 30 September 2024

		2024		2023	
	Note	£	£	£	£
Fixed assets					
Tangible assets	10		361		695
Current assets					
Debtors	11	30,905		40,332	
Cash at bank and in hand		151,881		111,790	
		182,786		152,122	
Creditors: Amounts falling due within one year	12	(57,232)		(25,404)	
Net current assets			125,554		126,718
Net assets			125,915		127,413
The funds of the charity:					
Restricted funds			-		-
Unrestricted funds					
Unrestricted income funds			125,915		127,413
Total charity funds			125,915		127,413

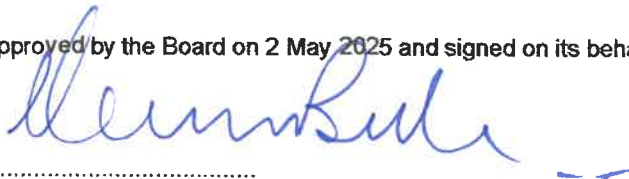
For the financial year ended 30 September 2024, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 2 May 2025 and signed on its behalf by:



.....
O N Bull
Trustee

The notes on pages 10 to 21 form an integral part of these financial statements.

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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.

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Further details of each fund are disclosed in note 18.

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

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Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Where services or facilities are provided to the Charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at cost to the donor or the resale value of the goods that are to be sold.

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The Charity 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 Charity 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.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

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Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Piano, staging and office equipment 20% straight line basis

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

..... continued

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Donations and legacies				
Appeals and donations	61,918	-	61,918	42,310
Donated services	1,000	-	1,000	8,200
	<u>62,918</u>	<u>-</u>	<u>62,918</u>	<u>50,510</u>
Grants				
Grants	<u>27,100</u>	<u>83,154</u>	<u>110,254</u>	<u>105,950</u>
	<u><u>90,018</u></u>	<u><u>83,154</u></u>	<u><u>173,172</u></u>	<u><u>156,460</u></u>

Of the donations and legacies income in 2023, £35,310 related to unrestricted funds and £15,200 related to restricted funds.

3 Investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Interest on cash deposits	<u>3,499</u>	<u>-</u>	<u>3,499</u>	<u>2,164</u>

All of the investment income in 2023 related to unrestricted funds.

4 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Charitable activities	<u>85,887</u>	<u>-</u>	<u>85,887</u>	<u>74,165</u>

All of the income from charitable activities in 2023 related to unrestricted funds.

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

..... continued

5 Expenditure

	Charitable activities	Raising funds	Total 2024	Total 2023
	£	£	£	£
Direct costs				
Fundraising costs	-	9,579	9,579	7,859
Artist fees and expenses	64,999	-	64,999	74,347
Festival support team	17,772	-	17,772	9,116
Event costs	25,354	-	25,354	24,518
Ticketing	12,916	-	12,916	9,888
Marketing	32,509	-	32,509	27,600
Filming	5,645	-	5,645	11,249
Depreciation of office equipment	334	-	334	194
	<u>159,529</u>	<u>9,579</u>	<u>169,108</u>	<u>164,771</u>
Support costs				
Employment costs	71,225	7,914	79,139	68,496
Facilities	6,821	359	7,180	7,577
Cost of trustee meetings	743	39	782	743
Accountancy fees	1,605	85	1,690	-
Independent examiner's fee	997	53	1,050	1,000
Bookkeeping costs	4,852	255	5,107	4,258
Legal and professional fees	-	-	-	2,940
	<u>86,243</u>	<u>8,705</u>	<u>94,948</u>	<u>85,014</u>
	<u>245,772</u>	<u>18,284</u>	<u>264,056</u>	<u>249,785</u>

Of the expenditure in 2023, £128,635 related to unrestricted funds and £121,150 related to restricted funds.

The following support costs have been split as follows:

Support costs	Raising Funds	Other
Salaries and expenses	10%	90%
Accountancy	5%	95%

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

..... continued

6 Governance costs

	2024	2023
	£	£
Accountancy fees	1,690	-
Bookkeeping costs	5,107	4,258
Independent examiner's fee	1,050	1,000
Legal and professional fees	-	2,940
Cost of trustee meetings	782	743
	<u>8,629</u>	<u>8,941</u>

7 Trustees' remuneration and expenses

No trustees received any remuneration during the year.

8 Net expenditure

Net expenditure is stated after charging:

	2024	2023
	£	£
Depreciation of tangible fixed assets	334	194
Independent examiner's fee	1,050	1,000
	<u>1,384</u>	<u>1,194</u>

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

..... continued

9 Employees' remuneration

The aggregate payroll costs of these persons were as follows:

	2024	2023
	£	£
Wages and salaries	77,497	67,286
Other pension costs	1,642	1,210
	79,139	68,496

10 Tangible fixed assets

	Piano, staging and office equipment £
Cost	
As at 1 October 2023 and 30 September 2024	76,446
Depreciation	
As at 1 October 2023	75,751
Charge for the year	334
As at 30 September 2024	76,085
Net book value	
As at 30 September 2024	361
As at 30 September 2023	695

11 Debtors

	2024	2023
	£	£
Trade debtors	28,850	32,750
Other debtors	2,055	7,582
	30,905	40,332

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

..... continued

12 Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	11,025	3,633
Taxation and social security	1,754	2,189
Other creditors	558	-
Accruals and deferred income	43,895	19,582
	57,232	25,404

13 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

14 Operating lease commitments

As at 30 September 2024 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	Other	
	2024 £	2023 £
Within one year	2,460	2,820
Within two and five years	887	3,347
	3,347	6,167

15 Other financial commitments

Freelance staff are under a three month notice agreement. Should the charity exercise this clause, the total commitment payable by the charity would total £13,749 (2023 - £nil).

16 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £1,642 (2023 - £1,210).

Contributions totalling £276 (2023 - £nil) were payable to the scheme at the end of the period and are included in creditors.

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

..... continued

17 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

R Kellaway and R Hall are directors of the charity and also trustees of Patrons of Lake District Summer Music, which was established to promote, improve, develop and maintain the education of the public in the study and appreciation of music and other arts by supporting the objects and activities of Lake District Music Limited. Sadly, both passed away in 2024 and will be greatly missed.

During the year the Patrons of Lake District Summer Music made a £20,000 donation to the charity (2023 - £20,000).

18 Analysis of funds

	At 1 October 2023	Incoming resources	Resources expended	At 30 September 2024
	£	£	£	£
General Funds				
General funds	127,413	179,404	(180,902)	125,915
Restricted Funds				
Sir John Fisher Foundation	-	3,250	(3,250)	-
Ida Carroll Trust	-	2,500	(2,500)	-
Arts Council England	-	45,500	(45,500)	-
Kirckman Concert Society	-	600	(600)	-
Fidelio Charitable Trust	-	2,000	(2,000)	-
Granada Foundation	-	3,000	(3,000)	-
Victoria Wood Foundation	-	4,304	(4,304)	-
Haworth	-	10,000	(10,000)	-
Fenton Arts	-	4,000	(4,000)	-
John Thaw Foundation	-	2,000	(2,000)	-
The Bob Hall Grant	-	2,000	(2,000)	-
The R K Charitable Trust	-	1,500	(1,500)	-
Golsonscott Foundation	-	1,000	(1,000)	-
Ulverston CGP Trust	-	500	(500)	-
The Coln Trust	-	1,000	(1,000)	-
	-	83,154	(83,154)	-
	<u>127,413</u>	<u>262,558</u>	<u>(264,056)</u>	<u>125,915</u>

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

..... *continued*

Arts Council England - funds towards Lake District Music Festival 2024

Bob Halliwell Charitable Trust - funds towards Lake District Music Festival 2024

The Coln Trust - funds towards Lake District Music Festival 2024

The Fenton Arts Trust - funds towards the New Young Artist Scheme

The Fidelio Charitable Trust - funds towards the New Young Artist Scheme

The Granada Foundation - funds towards Lake District Music Festival 2024

The Golsoncott Foundation - funds towards the New Young Artist Scheme

Haworth - funds towards Lake District Music Festival 2024

Ida Carroll Trust - funds towards the New Young Artist Scheme

The John Thaw Foundation - funding for Primary School Outreach Projects

Sir John Fisher Foundation - funds towards Schools Education Project

The Kirckman Concert Society - funds to support a concert by Lumas Winds

The R K Charitable Trust - funds towards the Planets School Education Project

Ulverston CGP Trust - funds towards running a Gospel Choir

The Victoria Wood Foundation - funds towards Lake District Music Festival 2024

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

..... continued

Prior period

	At 1 Oct 22	Incoming resources	Resources expended	At 30 Sept 23
	£	£	£	£
General Funds		-		
Unrestricted Income Fund	144,409	232,789	249,785	127,413
Restricted Funds				
Anonymous Funders	-	20,900	20,900	-
Arts Council England	-	40,000	40,000	-
Stephen Bell Trust	-	3,000	3,000	-
The Coln Trust	-	3,000	3,000	-
The Cosman Keller Art and Music Trust	-	5,000	5,000	-
The D'Oyly Carte Charitable Trust	-	3,000	3,000	-
Fidelio Charitable Trust	-	2,000	2,000	-
Sir John Fisher Foundation	-	5,000	5,000	-
Granada Foundation	-	3,750	3,750	-
Hadfield Trust	-	10,000	10,000	-
Helen Hamlyn Trust	-	3,000	3,000	-
Kirckman Concerts	-	2,000	2,000	-
The John Thaw Foundation	-	1,000	1,000	-
The Thistle Trust	-	2,000	2,000	-
Westmorland Arts Trust	-	5,000	5,000	-
Westmorland & Furness Council	-	7,500	7,500	-
	-	121,150	121,150	-
	144,409	353,939	370,935	127,413

Lake District Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2024

..... continued

19 Net assets by fund

	Unrestricted Funds	Total Funds 2024	Total Funds 2023
	£	£	£
Tangible assets	361	361	695
Current assets	182,786	182,786	152,122
Creditors: Amounts falling due within one year	<u>(57,232)</u>	<u>(57,232)</u>	<u>(25,404)</u>
Net assets	<u>125,915</u>	<u>125,915</u>	<u>127,413</u>

Prior period

	Unrestricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£
Tangible assets	695	695	889
Current assets	152,122	152,122	165,641
Creditors: Amounts falling due within one year	<u>(25,404)</u>	<u>(25,404)</u>	<u>(22,121)</u>
Net assets	<u>127,413</u>	<u>127,413</u>	<u>144,409</u>

Lake District Music Limited

England & Wales - Charity number 516350

Accounts

LAKE DISTRICT MUSIC LIMITED
FORMERLY KNOWN AS
LAKE DISTRICT SUMMER MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 September 2023

Company Number: 01887957

Charity Number: 516350

Lake District Music Ltd is extremely grateful to the following donors and supporters for their generous support over the course of the year:

All our anonymous donors, trusts & foundations

Arts Council England

Stephen Bell Trust

The Coln Trust

The Cosman Keller Art and Music Trust

Cumbria Community Foundation

The D'Oyly Carte Charitable Trust

Fidelio Charitable Trust

Sir John Fisher Foundation

Granada Foundation

Hadfield Trust

Haworth Trust

Helen Hamlyn Trust

Ida Carroll Trust

Kirckman Concerts

The John Thaw Foundation

The Thistle Trust

Westmorland Arts Trust

Westmorland & Furness Council

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

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**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The Board of Trustees'	O N Bull - Chairman (Appointed 01/12/2022) H Blair (Appointed 01/10/2023) T A Davis (Resigned 22/05/2023) R J D Dodgson MBE (Resigned 22/01/2024) R Hall (Resigned 22/05/023) H T G Hands (Resigned 20/01/2023) M G Heyes (Appointed 12/12/2023) G M Hoadley (Appointed 12/12/2023) R Kellaway (Resigned 22/05/2023) W Lloyd (Resigned 06/04/2023) Ms A R G McCooey (Appointed 01/12/2022) L Mileto (Appointed 25/01/2024) M W M Rayner J Rink W H Sang (Resigned 16/10/2023) J Scott (Resigned 07/11/2023) F Stuart (Appointed 01/10/2023) C Wardle J R Wood (Appointed 01/12/2022)
Trust Operations Director (Senior Management)	N Hardisty
Registered Office	Stricklandgate House 92 Stricklandgate Kendal LA9 4PU
Accountant	Dixon Gibbs Suite 2, The Mintworks 124 Highgate, Kendal LA9 4HE
Independent Examiner	Saint & Co Sterling House Wavell House Carlisle CA1 2SA
Bankers	HSBC 64 Highgate Kendal LA9 4TF

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT OF
LAKE DISTRICT MUSIC LIMITED**

YEAR ENDED 30 September 2023

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Lake District Music Limited (the company) for the year ended 30 September 2023. After the financial year end the organisation changed its name on 20 October 2023 from Lake District Summer Music Limited to Lake District Music Limited, following the absorption of the activities of The Patrons of Lake District Summer Music, which had hitherto been a separate charity. Throughout this report we therefore refer to Lake District Music in place of Lake District Summer Music.

The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and are in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015).

Structure, governance and management

CONSTITUTION

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 15th April 1985. Registered charity number 516350.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charitable company is the responsibility of the trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association. All trustees give their time voluntarily and receive no benefits from the charitable company. Any expense reclaimed from the charitable company is detailed in the accounts.

The Trustees attempt to ensure that the board of trustees represent as wide a cross section of the local community as possible and, in particular, that the trustees have appropriate experience to assist the charitable company with its objectives. Traditional business skills as well as music skills are well represented within the board of trustees. The Trustees and the Chairman have worked hard this year to improve the make-up and constitution of the board of trustees and welcome 6 new trustees to bring in the additional skills.

Names of serving Trustees during the year are disclosed on page 1 to the financial statements.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT OF
LAKE DISTRICT MUSIC LIMITED**

YEAR ENDED 30 September 2023

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Trustee induction and training

Most Trustees are already familiar with the practical work of the charitable company before becoming trustees. New Trustees are familiarised by the Chairman and Operations Director on its working and the context within which it operates and are given a 'Trustee Welcome Pack'. The main documents which set out the operational framework for the charitable company include the Memorandum and Articles of Association which are presented at induction.

Organisational structure

The Board of Trustees meet quarterly with the Trust's Operations Director and the Artistic Director and are responsible for the strategic direction and policies of the charitable company. This is the third year under this new structure.

Nicholas Hardisty is the Operations Director. Nicholas is a violinist, holds an MPhil in musicology and joins us after six years as Production Coordinator of The English Concert, one of the world's foremost period orchestras.

Stephen Threlfall is the Artistic Director. Stephen is a cellist, conductor and creative director of numerous artistic projects. He stood down from his role as Director of Music at Chetham's School of Music in 2019 after 24 years during which the school prospered and developed under his musical guidance, commitment to the students, and to the wider musical community.

Bookkeeping services were provided by Dixon & Gibbs Ltd.

Governance

The Trustees follow the Charity Commission's Good Governance guidelines and the Essential Trustee and carry out regular governance reviews following Lake District Music's Governance Action Plan. This covers Diversity, Board Effectiveness, Decision Making and Control and Stakeholder Mapping to name but a few of the focus areas.

Related Parties

Insofar as it is complementary to the charitable company's objectives, the charitable company is guided by local and national policy.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT OF
LAKE DISTRICT MUSIC LIMITED**

YEAR ENDED 30 September 2023

Objectives and Activities

POLICIES AND OBJECTIVES

Purpose and aims

The Board is now actively engaged in a Strategic Planning Process, which is styled as Purpose, Ambition, and Plans and involves defining the company's fundamental reason for existing, what it wants to achieve in short medium and long terms, and detailed plans for achieving these aims.

The first part of this process is now completed - our Purpose is stated as follows;

"To Uplift & Inspire through Music"

This is delivered by the promotion, improvement, and advancement of education and entertainment of the public in music and other arts, and in particular to organise a Spring Series of concerts and a Summer Music Festival of international excellence and recognised standing, including the provision of support for emerging young musicians on the cusp of their careers.

Public benefit

The Company brings a distinct and compelling musical focus to Cumbria's cultural heritage through events that have the power to inspire and transform lives and careers. Lake District Music makes accessible to the communities of Cumbria concerts by world-class artists who would not otherwise perform here. The involvement of the community itself in the festival has been a key feature of recent Festival programmes. Lake District Music also acts as Strategic Cultural Lead partner on behalf of South Lakeland District Council, bringing together a network of local arts organisations and working together to better serve their communities.

We attract significant investment to local businesses from national and international tourists and visitors. As an integral part of our Summer Festival, masterclasses and educational projects provide young musicians with the high-quality training and public performance opportunities they need to successfully launch their careers. The Trustees confirm that they have complied with the duties in section 4 of the Charities Act 2006 to have due regard to the guidance published by the Charity Commission on public benefit..

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT OF
LAKE DISTRICT MUSIC LIMITED**

YEAR ENDED 30 September 2023

Achievements and performance

REVIEW OF ACTIVITIES

While some years after the relaxation of lockdown restrictions, the medium-term effects of Covid-19 are still being seen in the behaviour of audiences across the country. Many similar organisations experienced 'bumps' in returning audience figures which quickly dissipated, leaving a question hanging as to the attitudes of our own audiences despite a successful festival in 2022. The 2023 festival, however, demonstrated a consolidation of Lake District Music's recovery from lockdown, surpassing the previous years' attendance figures by around 250 tickets and at least matching festival performances pre-pandemic.

Over the course of 10 days, 170+ artists appeared at the 2023 festival across 37 events, entertaining some 900 bookers (an increase of 150+) who bought 4,300 tickets. Audiences experienced concerts, masterclasses, walks, talks, and many other new experiences including a community drumming workshop on our opening day, quickly followed by our headline act Dame Evelyn Glennie.

Chiaroscuro, Barbican and Sacconi Quartets, Mithras Piano Trio, cellist Guy Johnston and Classical Kicks all prove popular with our audience. 2023 was also a big hit for our family programming following 2 previous years of growth, with 3 sellout performances of 'Concerteenies: Mixed' at Windermere Jetty Museum. 'Mixed' was a fully integrated musical story of diversity, with live music from harpist Louise Thompson and a narrator. The children also created various DIY characters beforehand. Another sellout family event with local artist Alex Jakob-Whitworth at Grasmere school creating puppets of characters from Peter and the Wolf. Our aforementioned free community Drumming session on the opening morning of the festival with Drum Nation was completely full, as was our side-by-side string orchestra in Hawkshead.

2023 also featured some 27 young artists, including 2 young string quartets, 2 cellists and their accompanist, all of whom were resident at the festival, learning from numerous masterclasses and performing both in their original ensembles as well as during prime-time events with senior artists, giving them excellent profile and exposure.

Planning for the 2023/24 and 2024/25 are well underway having also now appointed a new part time Marketing & Development Officer in January 2024. In particular, the Trustees are looking forward to the 40th anniversary year in 2025.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT OF
LAKE DISTRICT MUSIC LIMITED**

YEAR ENDED 30 September 2023

GOING CONCERN

INVESTMENT POLICY AND PERFORMANCE

As outlined in our reserves policy the charity retains a prudent amount of cash for short term requirements. Most of the funds held by the charity are therefore for use within the year of receipt. With this in mind the Trustees have decided to retain cash with their bank on instant access accounts and also retain a sum on instant access deposit with another competitive account to ensure we take advantage of the excellent interest rates currently available. The positioning of these funds is reviewed annually.

Financial review

For the 2023 festival, a near balanced budget was set with anticipated turnover of £255,000 and costs of £253,000. This was an increase in income & costs of around £15,000 on the 2022 festival. It represented a return to a festival without the restrictions caused by the pandemic but also included an uplift for inflationary effects.

In the end the festival produced a deficit of £17,000 (2022: £20,000 surplus) this year. Although a deficit is disappointing considering the economic climate we are in our performance represents an increase in ticket numbers sold of 8% and an increase in ticket revenue of 6%.

The income areas that have not performed as well as we would have hoped have been from both individual and trust & foundations sources. Both sources of income are down against our budgeted return by £24,000 in total which contributes towards the deficit.

Support expenditure of £85,000 was £7,000 better than budget. Direct expenditure of £165,000 overran the budget by £4,000 and although some areas produced cost savings, higher artists fees and expenses have been the main reason for additional cost.

The resulting deficit of £17,000 for the financial year has been set against the Company's brought forward unrestricted reserves.

The environment for fundraising for the arts remains extremely challenging and we intend to continue working with a fundraising consultant for the foreseeable future. With the merger of our Patrons company givers into the heart of the festival in 2024 we hope that this will give us the opportunity to reengage with our many supporters and generate better ties with them in the future.

We are extremely grateful for the generosity of the trusts, businesses and individuals who gave grants and made donations to the festival. We would also like to give particular thanks to the Patrons of Lake District Summer Music for their tireless hard work and generous support.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT OF
LAKE DISTRICT MUSIC LIMITED**

YEAR ENDED 30 September 2023

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees conduct a regular review of the major risks to which the charitable company is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charitable company faces.

Procedures are in place to ensure compliance with health and safety of staff and volunteers. The Charitable Company carries appropriate employers' and public liability insurance as well as professional indemnity insurance at an appropriate level and directors and officer's insurance.

RISK MANAGEMENT

The Board has examined the major strategic, business and operational risks that the company faces and has put in place procedures and systems to manage these risks. These risks concern matters such as fire; health and safety of students, staff and audience; data protection; succession planning and long-term funding.

RESERVES POLICY

The reserves policy, which is reviewed and approved by the board annually, sets out an assessment of an appropriate level of our free reserves.

The Trustees have considered the Reserves Policy as at 30th September 2023. They have taken into account all the risks that face the charity during this ongoing period of economic uncertainty. These effects may impact on our income streams and costs, and include the challenges the charity faces in an increasingly competitive fundraising world and the likelihood that small deficits may be incurred in the short term as a result.

The risks that we face include ongoing uncertainty amongst the public following the pandemic and the very real cost of living crisis which is restricting leisure time spend. The Trustees also note the troubling news regarding closure or withdrawal of considerable funds at short notice from arts organisations in recent months. Equally the pandemic has taught us that a whole-year's turnover can easily be significantly reduced by similar global events.

Having quantified all these risks and their likely impact after any mitigation steps that we have put in place The Trustees believe that a target for our reserves of an amount equivalent to half of our annual costs is appropriate.

Our unrestricted reserves are £127,000 at the year end and this means that we meet the target reserves level established by our reserves policy.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT OF
LAKE DISTRICT MUSIC LIMITED**

YEAR ENDED 30 September 2023

Plans for the future

FUTURE DEVELOPMENTS

The Trustees hope this year represents the end of a difficult phase for the organisation, as with many across the UK. The challenges presented by the pandemic have been tackled, whilst remaining steadfast in our determination to support young artists. We have consolidated and expanded our audiences in the post-Covid, cost of living-crisis world, whilst still retaining our required level of reserves. A balanced budget has been set for the year ahead.

This next year, 2023-24 marks the beginning of a step change for the organisation and has already seen much of our future plans being put into action. In October we merged with our supporter charity the 'Patrons of Lake District Summer Music', and have relaunched our organisation, under its new name 'Lake District Music'. We can now move forward in a more robust position, engaging more closely than ever with its dedicated donor base.

The name change also signals the organisation's ambitions for growth in the coming years, taking on a spring series of concerts this year that focuses on the next generation of exciting musicians while pouncing on the opportunity to reinvigorate its outreach activities alongside.

The Board of Trustees have themselves seen much change in the first months of this new year, refreshed with new expertise, energy and ambition for the future, including new trustee champions for diversity and inclusivity and also environmental responsibility. We have also successfully recruited our first young musician to join our board to help better reflect the audiences and communities we serve which include young artists.

Alongside these new ambitions the organisation recruited in December 2023 a new Marketing member of staff to increase our expertise and capacity and support the work ahead.

We look forward to our 40th anniversary season in the summer of 2025 which will launch the beginning of a number of new and exciting initiatives, much of the planning for our celebration of this anniversary year will be taking place over the course of this current year.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT OF
LAKE DISTRICT MUSIC LIMITED**

YEAR ENDED 30 September 2023

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of Lake District Music Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

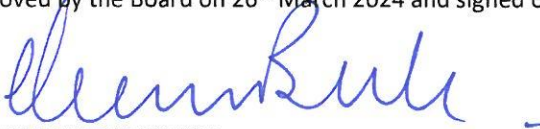
Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 26th March 2024 and signed on its behalf by:



.....
O N Bull
Trustee

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT OF
LAKE DISTRICT MUSIC LIMITED**

YEAR ENDED 30 September 2023

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
LAKE DISTRICT MUSIC LIMITED**

I report on the accounts of the company for the year ended 30 September 2023, which are set out on pages 11 to 22.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Stuart Farrer
Saint & Co



10.4.24

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING
INCOME AND EXPENDITURE ACCOUNT**

YEAR ENDED 30 September 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME					
Donations	2	35,310	121,150	156,460	175,292
Income from charitable activities	3	74,165	-	74,165	69,693
Other income	4	2,164	-	2,164	178
TOTAL INCOME		111,639	121,150	232,789	245,163
EXPENDITURE					
Expenditure on raising funds		13,534	2,000	15,534	-
Expenditure on charitable activities	5	115,101	119,150	234,251	225,152
TOTAL EXPENDITURE		128,635	121,150	249,785	225,152
NET INCOME/(EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		(16,996)	-	(16,996)	20,011
Transfers between funds			-	-	-
NET MOVEMENT IN FUNDS		(16,996)	-	(16,996)	20,011
Total funds brought forward		144,409	-	144,409	124,398
TOTAL FUNDS CARRIED FORWARD	12	127,413	-	127,413	144,409

The notes on pages 13 to 22 form part of these financial statements.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 September 2023

	Note	2023	2022
		£	£
FIXED ASSETS			
Tangible assets	9	695	889
CURRENT ASSETS			
Debtors	10	40,332	59,409
Cash at bank		111,790	106,232
		152,122	165,641
CREDITORS: Amounts falling due within one year	11	(25,404)	(22,121)
TOTAL ASSETS LESS CURRENT LIABILITIES		126,718	143,520
NET ASSETS		127,413	144,409
THE FUNDS OF THE CHARITY			
Restricted Funds	12	-	-
Unrestricted Funds	12	127,413	144,409
TOTAL CHARITY FUNDS		127,413	144,409

For the financial year ended 30 September 2023, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 26th March 2024 and signed on its behalf by:

..... 

O N Bull
Trustee

The notes on pages 13 to 22 form part of these financial statements.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 September 2023

1. ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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.

Basis of preparation

The charitable company 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 notes.

Going concern

The Charity has considered whether the use of the going concern basis for accounting is appropriate. To do this, they have considered whether there are any material uncertainties as to the Charity's ability to continue as a going concern.

Following the COVID-19 outbreak, the trustees have prepared detailed cash flow projections, budgets and continually monitor the ongoing situation to assess the impact on the charity. Normal operations have since resumed and the trustees are satisfied that there are no material uncertainties about the charity's ability to continue as a going concern.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Further details of each fund are disclosed in note 20.

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 September 2023

Where services or facilities are provided to the Charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at cost to the donor or the resale value of the goods that are to be sold.

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The Charity 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 Charity 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.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Piano, staging and office equipment 20% straight line basis

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 September 2023

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 September 2023

2. DONATIONS

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Individual Donations	35,310	7,000	42,310	32,406
Gifts in Kind	-	8,200	8,200	4,800
Grants	-	105,950	105,950	138,086
	<u>35,310</u>	<u>121,150</u>	<u>156,460</u>	<u>175,292</u>

In 2022 all the individual donations related to unrestricted funds. Of the grants in 2022 £20,136 related to restricted funds.

A full list of all Trusts and Foundations kindly supporting the charity during the year is provided at the front of these accounts.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Charitable Activities	<u>74,165</u>	-	<u>74,165</u>	<u>69,693</u>

In 2022 all the income from charitable activities related to unrestricted funds.

4. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Interest on cash deposits	<u>2,164</u>	-	<u>2,164</u>	<u>178</u>

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 September 2023

5. EXPENDITURE

	Raising Funds £	Other Expenditure £	Total 2023 £	Total 2022 £
Direct Costs				
Artists		74,347	74,347	63,144
Festival Support Team		9,116	9,116	7,713
Event Costs		24,712	24,712	31,526
Ticketing		9,888	9,888	3,252
Fundraising	7,859		7,859	5,266
Marketing		27,600	27,600	20,583
Filming		11,249	11,249	11,227
	7,859	156,912	164,771	142,711
Support Costs				
Salaries & Expenses	6,850	61,646	68,496	67,487
Legal & Professional Fees	410	7,788	8,198	4,435
Facilities	416	7,904	8,320	10,519
	7,675	77,338	85,014	82,441
TOTAL EXPENDITURE	15,534	234,250	249,785	225,152

Of the expenditure £121,150 (2022: £20,136) related to restricted funds and £128,635 (2022: £205,016) to unrestricted funds.

Support cost allocations

The following support costs have been split as follows:

Support Costs	Raising Funds	Other
Salaries & Expenses	10%	90%
Legal & Professional Fees	5%	95%
Facilities	5%	95%

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 September 2023

6. GOVERNANCE COSTS

	Total Funds 2023 £	Total Funds 2022 £
Accountancy fees	-	1,800
Bookkeeping costs	4,258	1,915
Independent examiner's fee	1,000	720
Legal & professional	2,940	-
Trustee Meeting Costs	743	2,730
	8,941	7,165

7. NET INCOME

Net Income is stated after charging:

	2023 £	2022 £
Depreciation	194	194
Independent Examiner's Fee	1,000	720

8. STAFF COSTS

Staff costs were as follows:

	2023 £	2022 £
Wages and salaries	35,556	33,000
Employers national insurance	-	-
Employer Pension Contribution	1,420	1,210
	36,976	34,210

No employees received remuneration amounting to more than £60,000 in either year.

No remuneration was paid to any trustee in respect of their position as Trustee. £101 (2022: £nil) of expenses was paid to one trustee.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 September 2023

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

	2023	2022
	No	No
Charitable activities	1	1
	1	1

9. TANGIBLE FIXED ASSETS

	Piano, Staging & Office Equipment £
COST	
At 1 October 2022	76,446
Additions	-
Disposals	-
At 30 September 2023	76,446
DEPRECIATION	
At 1 October 2022	75,557
Charge for year	194
On disposals	-
At 30 September 2023	75,751
NET BOOK VALUE	
At 30 September 2023	695
At 30 September 2022	889

10. DEBTORS

Trade Debtors	-	27,159
Prepayments and accrued income	40,332	32,250
	40,332	59,409

LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 September 2023

11. CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	4,156	15,421
Other taxation and social security	2,189	658
Accruals and deferred income	19,059	6,042
	25,404	22,121

12. ANALYSIS OF FUNDS – CURRENT YEAR

	Bal b/f	Income	Expenses	Bal c/f
Unrestricted Funds	144,409	232,789	249,785	127,413
Restricted Funds				
Anonymous Funders	-	20,900	20,900	-
Art Council England	-	40,000	40,000	-
Stephen Bell Trust	-	3,000	3,000	-
The Coln Trust	-	3,000	3,000	-
The Cosman Keller Art and Music Trust	-	5,000	5,000	-
The D'Oyly Carte Charitable Trust	-	3,000	3,000	-
Fidelio Charitable Trust	-	2,000	2,000	-
Sir John Fisher Foundation	-	5,000	5,000	-
Granada Foundation	-	5,000	5,000	-
Hadfield Trust	-	3,750	3,750	-
Haworth Trust	-	10,000	10,000	-
Helen Hamlyn Trust	-	3,000	3,000	-
Kirckman Concerts	-	2,000	2,000	-
The John Thaw Foundation	-	1,000	1,000	-
The Thistle Trust	-	2,000	2,000	-
Westmorland Arts Trust	-	5,000	5,000	-
Westmorland & Furness Council	-	7,500	7,500	-
Total Restricted Funds	-	121,150	121,150	-
	144,409	353,939	370,935	127,413

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 September 2023

12 (CONTINUED) ANALYSIS OF FUNDS – PRIOR YEAR

	Bal b/f	Income	Expenses	Bal c/f
Unrestricted Funds	124,398	225,027	205,016	144,409
Restricted Funds				
Backstage Trust		5,000	5,000	
The D'Oyly Carte Charitable Trust	-	3,936	3,936	-
Fidelio Charitable Trust	-	1,500	1,500	-
Sir John Fisher Foundation	-	6,000	6,000	-
Idlewild Trust	-	3,700	3,700	-
Total Restricted Funds	-	20,136	20,136	-
	124,398	245,163	225,152	144,409

13. ANALYSIS OF NET ASSETS between funds

	Unrestricted funds £	Restricted funds £	Total Funds 2023 £	Total Funds 2022 £
Tangible fixed assets	695	-	695	889
Current assets	152,122	-	152,122	165,641
Current liabilities	(25,404)	-	(25,404)	(22,121)
	127,413	-	127,413	144,409

14. MEMBERS LIABILITY

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

**LAKE DISTRICT MUSIC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 September 2023

15. COMMITMENTS

Operating Leases:

At 30 September 2023 the charity had the following annual commitments under non-cancellable operating leases. Amounts relate to the franking machine and online booking system.

	2023	2022
	£	£
Operating leases payments due:		
Within one year	2,820	2,820
Within two & five years	6,240	9,060
Over five years	-	-
	9,060	11,880

Other commitments:

Freelance staff are under a three month notice agreement. Should the charity exercise this clause, the total commitment payable by the charity would total £6,167 (2022: 13,749).

16. RELATED PARTIES

Controlling Entity

The charity is controlled by the trustees who are all directors of the company.

Related Party Transactions

During the year under review 5 trustees made donations totalling £10,550. Also the Patrons of Lake District Summer Music made a £20,000 (2022: £20,000) donation to the company.

No other significant transactions with trustees or companies controlled by trustees occurred during the year.

17. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £1,420 (2022: £1,210).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Lake District Music Limited

England & Wales - Charity number 516350

Accounts

**Lake District Summer Music
Limited**

(A company limited by guarantee)

**Annual Report and Financial
Statements**

30 September 2022

Company registration number: 01887957

Charity registration number: 516350



Lake District Summer Music Limited

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Lake District Summer Music Limited
Reference and Administrative Details

Charity name	Lake District Summer Music Limited
Charity registration number	516350
Company registration number	01887957
Principal office	Stricklandgate House 92 Stricklandgate KENDAL LA9 4PU
Registered office	Stricklandgate House 92 Stricklandgate KENDAL LA9 4PU
Trustees	R Kellaway MBE, Honorary Life President O N Bull, Chair * (appointed 1 December 2022) W H Sang, Deputy Chairman A R McCooey, Honorary Treasurer * (appointed 1 December 2022) T A Davis, Honorary Treasurer R J D Dodgson MBE R Hall, Patrons of LDSM representative H T G Hands, Chair (resigned 20 January 2023) W Lloyd M W M Rayner J Rink J Scott C Wardle J R Wood (appointed 1 December 2022) W G Jackson (resigned 30 September 2022) * appointed Chair/Honorary Treasurer as of 17 January 2023
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

Lake District Summer Music Limited

Trustees' Report for the Year Ended 30 September 2022

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Lake District Summer Music Limited (the Company) for the year ended 30 September 2022. 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Company is registered as a charitable company limited by guarantee, registered number 516350, and was set up by a Memorandum of Association.

Organisational structure of the Company and the appointment of Trustees

The Company is administered by a Council of Management made up of the Trustees. Its powers are governed by the Memorandum and Articles of Association of the charitable company. The Council is responsible for the promotion of the charity's objectives and for the appointment of new trustees. It ensures that trustees have experience in the management of similar bodies in such areas as the arts, education, marketing, finance, fundraising, business, and human resources.

Artistic Leadership and Management

Having made two new appointments in 2020, this year marked the second festival under new leadership.

Stephen Threlfall was appointed Artistic Director effective 1 October 2020. Stephen is a cellist, conductor and creative director of numerous artistic projects. He stood down from his role as Director of Music at Chetham's School of Music in 2019 after 24 years during which the school prospered and developed under his musical guidance, commitment to the students, and to the wider musical community.

Nicholas Hardisty joined the organisation as Festival Administrator on 1 October 2020 and has since been appointed Festival Manager effective 1 October 2021. Nicholas is a violinist, holds an MPhil in musicology and joins us after six years as Production Coordinator of The English Concert, one of the world's foremost period orchestras.

Bookkeeping services were provided by Dixon & Gibbs Ltd.

OBJECTIVES AND ACTIVITIES

The objectives of the Company are to promote, maintain, improve, and advance the education of the public in the art of music and the other arts, and in particular to organise an annual music festival of international excellence and recognised standing in the Lake District, including the provision of support for emerging young musicians on the cusp of their careers.

Public benefit

Lake District Summer Music brings a distinct and compelling musical focus to Cumbria's cultural heritage through events that have the power to inspire and transform lives and careers. LDSM makes accessible to the communities of Cumbria concerts by world-class artists who would not otherwise perform here. The involvement of the community itself in the festival has been a key feature of recent Festival programmes. LDSM also acts as Strategic Cultural Lead partner on behalf of South Lakeland District Council, bringing together a network of local arts organisations and working together to better serve their communities.

We attract significant investment to local businesses from national and international tourists and visitors. As an integral part of our Summer Festival, masterclasses and educational projects provide young musicians with the high-quality training and public performance opportunities they need to successfully launch their careers. The Trustees confirm that they have complied with the duties in section 4 of the Charities Act 2006 to have due regard to the guidance published by the Charity Commission on public benefit.

Lake District Summer Music Limited
Trustees' Report for the Year Ended 30 September 2022

ACHIEVEMENTS AND PERFORMANCE

After overcoming the considerable challenges posed by Covid-19 and successive lockdowns and changeable regulations during the 2021 festival, continued audience hesitancy seen locally and nationally was a major area of concern for 2022. Instead, LDSM prospered in 2022, bucking the trend of similar organisations by returning to comparable levels of attendance in pre-Covid years with record numbers of new visitors and sold-out performances.

Over 10 days, some 207 artists appeared in 35 events across the festival, selling more than 4,000 tickets to audiences experiencing the many concerts, masterclasses, walks, art and family events. Highlights include performances by the Elias String Quartet, Hermes Experiment and a spectacular finale by the Royal Northern Sinfonia with a specially formed festival chorus of local singers.

The music of composer-in-residence Cecilia McDowall played a major feature of the 2022 festival, including a world premiere, as did music by a wide selection of female composers.

A considerable cohort of promising young musicians brought the festival alive, in particular a pair of young string quartets and composers who were resident across the festival and given intensive instruction by many visiting musicians in public and private masterclasses. To continue reaching those unable to visit the festival in person, the vast majority of events were also filmed, available to watch online from around the world.

New ventures from 2021, such as events specifically designed for families with young children, were expanded and continue to prove popular.

FINANCIAL REVIEW

For the 2022 festival, a balanced budget of £239k was set, an increase of £62k on the 2021 festival costs. The COVID-driven limitation on audience numbers in 2021 was removed, allowing larger events to be programmed and half of the planned increase came from artist's costs. The majority of the remainder came from an unplanned inflation allowance and contingency.

Support expenditure of £82k was £3k below budget. Direct expenditure underran the budget by £11k largely as a result of not having to call on contingency.

Income was £6k more than the budget. It was gratifying that performance revenue exceeded budget by 10%. This compensated for small shortfalls in receipts from individual donors and grants.

The surplus of £20k for the financial year has been added to the Company's reserve.

For simplicity, amounts have been quoted to the nearest £1,000.

The environment for fundraising for the arts remains extremely challenging, especially in the present/post-Covid world, and we intend to continue working with a fundraising consultant for the foreseeable future. There were also substantial donations from individuals, and we look to build on this in subsequent years. We are extremely grateful for the generosity of the trusts, businesses and individuals who gave grants and made donations to the festival. We would also like to give particular thanks to the Patrons of LDSM for their tireless hard work and generous support.

Risk Management

The Board has examined the major strategic, business and operational risks that the company faces and has put in place procedures and systems to manage these risks. These risks concern matters such as fire; health and safety of students, staff and audience; data protection; succession planning and long-term funding.

Reserves Policy

Reserves at the year-end were £144,409. However, these are not all cash reserves and some reserves are not available to spend as they are held as fixed assets. This means free reserves are £143,520.

The aim of the Trustees is to maintain a sufficient level of reserves to sustain its operations taking into account potential risks. The reserves of Lake District Summer Music Ltd consist of three elements.

Lake District Summer Music Limited
Trustees' Report for the Year Ended 30 September 2022

Firstly, there are a restricted reserves of funds which have been given for a restricted purpose by the donors, the use of which might extend over a period greater than one financial year.

Secondly, when appropriate, there will be a reserve designated by the trustees for longer-term aspects of LDSM's finances, for example putting aside funds for future plans and developments in a designated fund.

Thirdly, there is a free unrestricted reserve, set aside and maintained at a level calculated to be sufficient to support LDSM in its regular activities and to meet unexpected expenditure.

This is on the basis that if our income was to suffer due to current economic and fundraising conditions worsening, we would still have some income, and between the unrestricted funds and the reduced income we could still keep our commitment to hold a festival in the year and have funds to meet all the costs. This would mean a target reserve of around £120k. The current free reserves level of £143,520 is therefore regarded as satisfactory.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 3 March 2023 and signed on its behalf by:



W H Sang
Trustee



T A Davis
Trustee

Lake District Summer Music Limited

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Lake District Summer Music Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

**Independent Examiner's Report to the Trustees of
Lake District Summer Music Limited**

I report on the accounts of the company for the year ended 30 September 2022, which are set out on pages 7 to 20.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Faye Armstrong FCA
Dodd & Co Limited
Chartered Accountants

3 March 2023

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Lake District Summer Music Limited

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 30 September 2022

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021	
Note	£	£	£	£	
Income and endowments from:					
Donations and legacies	2	155,156	20,136	175,292	196,467
Investments	3	178	-	178	-
Charitable activities	4	69,693	-	69,693	42,328
Other	6	-	-	-	176
Total income and endowments		<u>225,027</u>	<u>20,136</u>	<u>245,163</u>	<u>238,971</u>
Expenditure on:					
Charitable activities		205,016	20,136	225,152	177,500
Total expenditure		<u>205,016</u>	<u>20,136</u>	<u>225,152</u>	<u>177,500</u>
Net movements in funds		20,011	-	20,011	61,471
Reconciliation of funds					
Total funds brought forward		124,398	-	124,398	62,927
Total funds carried forward		<u>144,409</u>	<u>-</u>	<u>144,409</u>	<u>124,398</u>

All of the Charity's activities derive from continuing operations during the above periods.

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

Lake District Summer Music Limited
Company registration number: 01887957
Balance Sheet as at 30 September 2022

		2022		2021	
	Note	£	£	£	£
Fixed assets					
Tangible assets	12		889		428
Current assets					
Debtors	13	59,409		63,944	
Cash at bank and in hand		<u>106,232</u>		<u>69,925</u>	
		165,641		133,869	
Creditors: Amounts falling due within one year					
	14	<u>(22,121)</u>		<u>(9,899)</u>	
Net current assets			<u>143,520</u>		<u>123,970</u>
Net assets			<u>144,409</u>		<u>124,398</u>
The funds of the charity:					
Restricted funds					
-					
Unrestricted funds					
Unrestricted income funds			<u>144,409</u>		<u>124,398</u>
Total charity funds			<u>144,409</u>		<u>124,398</u>

For the financial year ended 30 September 2022, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 3 March 2023 and signed on its behalf by:


 W H Sang
 Trustee


 T A Davis
 Trustee

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

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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.

Basis of preparation

The charitable company 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 notes.

Going concern

The Charity has considered whether the use of the going concern basis for accounting is appropriate. To do this, they have considered whether there are any material uncertainties as to the Charity's ability to continue as a going concern.

Following the COVID-19 outbreak, the trustees have prepared detailed cash flow projections, budgets and continually monitor the ongoing situation to assess the impact on the charity. Normal operations have since resumed and the trustees are satisfied that there are no material uncertainties about the charity's ability to continue as a going concern.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Further details of each fund are disclosed in note 20.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

..... continued

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Where services or facilities are provided to the Charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at cost to the donor or the resale value of the goods that are to be sold.

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The Charity 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 Charity 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.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

..... continued

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Piano, staging and office equipment 20% straight line basis

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

..... continued

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Donations and legacies				
Appeals and donations	25,757	-	25,757	39,217
Gift Aid tax reclaimed	6,649	-	6,649	7,200
Donated services	4,800	-	4,800	3,300
	<u>37,206</u>	<u>-</u>	<u>37,206</u>	<u>49,717</u>
 Grants				
Grants	<u>117,950</u>	<u>20,136</u>	<u>138,086</u>	<u>146,750</u>
	<u>155,156</u>	<u>20,136</u>	<u>175,292</u>	<u>196,467</u>

Of the donations and legacies income in 2021, all related to unrestricted funds. Of the grants income in 2021, £106,750 related to unrestricted funds and £40,000 related to restricted funds.

The following trusts and foundations have supported the charity through the financial year and are included within grants and donations:

Arts Council England
 Aspinwall Trust
 Backstage Trust
 Coln Trust
 Cumbria Community Foundation
 D'Oyly Carte Charitable Trust
 Fidelio Charitable Trust
 Foyle Foundation
 Garrick Trust
 Sir John Fisher Foundation
 Golsuncott Foundation
 Granada Foundation
 Haworth Foundation
 Idlewild Trust
 Marchus Trust
 Nugee Foundation
 Rainbow Dickinson Trust
 South Lakeland District Council
 Vaughan Williams Charitable Trust

3 Investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Interest on cash deposits	<u>178</u>	<u>-</u>	<u>178</u>	<u>-</u>

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2022

..... continued

4 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Charitable activities	69,693	-	69,693	42,328

Of the charitable activities income in 2021, all related to unrestricted funds.

6 Other

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Other	-	-	-	176

Of the other income in 2021, £176 related to unrestricted funds.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

..... continued

7 Expenditure

	Raising funds	Other expenditure	Total 2022	Total 2021
	£	£	£	£
Direct costs				
Other fundraising costs	5,266	-	5,266	5,349
Artist fees and expenses	-	51,838	51,838	28,177
Event costs	-	30,305	30,305	21,691
Film costs	-	11,227	11,227	12,670
Box office licence	-	3,252	3,252	2,778
Staff and tutor fees and expenses	-	7,713	7,713	4,881
Printing and stationery	-	9,655	9,655	10,183
Press and advertising	-	10,928	10,928	8,235
Accommodation	-	11,306	11,306	10,448
Credit card charges	61	1,160	1,221	402
	<u>5,367</u>	<u>137,344</u>	<u>142,711</u>	<u>104,814</u>
Support costs				
Employment costs	5,719	57,823	63,542	55,929
Rent	155	2,948	3,103	2,257
Insurance	-	-	-	453
Telephone and fax	43	813	856	982
Office expenses	86	1,630	1,716	64
Computer software and maintenance costs	23	446	469	148
Printing, postage and stationery	15	286	301	3,101
Trade subscriptions	-	789	789	1,274
Sundry expenses	7	2,977	2,984	1,020
Travel and subsistence	355	3,590	3,945	4,311
Accountancy fees	-	1,800	1,800	1,513
Independent examiner's fee	-	720	720	720
Bookkeeping costs	96	1,819	1,915	685
Legal and professional fees	-	-	-	35
Bank charges	-	107	107	155
Depreciation of office equipment	-	194	194	39
	<u>6,499</u>	<u>75,942</u>	<u>82,441</u>	<u>72,686</u>
	<u>11,866</u>	<u>213,286</u>	<u>225,152</u>	<u>177,500</u>

Of the expenditure in 2021, £40,000 related to restricted funds and £137,500 related to unrestricted funds.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

..... continued

Support cost allocations

The following support costs have been split, 5% to Raising Funds and the remainder to Other Expenditure:

- Rent
- Insurance
- Telephone and fax
- Office expenses
- Computer software and maintenance costs

The following support costs have been split, 9% to Raising Funds and the remainder to Other Expenditure:

- Freelance staff
- Wages and salaries

The following support costs have been split, 10% to Raising Funds and the remainder to Other Expenditure:

- Travel and subsistence

Sundry expenses have been split as follows:

- Sundry expenses, 5% to Raising Funds and the remainder to Other Expenditure
- Meeting costs, 100% to Other Expenditure
- Training costs, 100% to Other Expenditure

Accountancy fees have been split as follows:

- Bookkeeping costs, 5% to Raising Funds and the remainder to Other Expenditure
- Audit & accountancy, 100% to Other Expenditure

The remaining support costs have been allocated directly to resources as shown above. The split has been based on the trustees estimate of time and resources utilised during the year in fund raising activities.

8 Governance costs

	2022	2021
	£	£
Accountancy fees	1,800	1,513
Bookeeping costs	1,915	685
Independent examiner's fee	720	720
Legal and professional fees	-	35
Meeting costs	2,730	-
	<u>7,165</u>	<u>2,953</u>

9 Trustees' remuneration and expenses

No trustees received any remuneration or expenses during the year.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

..... continued

10 Net income

Net income is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets	194	39
Independent examiner's fee	720	720
	720	720

11 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2022	2021
	No.	No.
Charitable activities	1	-
	1	-

The aggregate payroll costs of these persons were as follows:

	2022	2021
	£	£
Wages and salaries	33,000	-
Other pension costs	1,210	-
	34,210	-

No employee received emoluments of more than £60,000 during the year (2021 - No. 0).

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

..... continued

12 Tangible fixed assets

	Piano, staging and office equipment £
Cost	
As at 1 October 2021	75,795
Additions	651
As at 30 September 2022	<u>76,446</u>
Depreciation	
As at 1 October 2021	75,363
Charge for the year	194
As at 30 September 2022	<u>75,557</u>
Net book value	
As at 30 September 2022	<u>889</u>
As at 30 September 2021	<u>432</u>

13 Debtors

	2022 £	2021 £
Other debtors	8,659	7,194
Prepayments and accrued income	50,750	56,750
	<u>59,409</u>	<u>63,944</u>

14 Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	15,421	7,799
Taxation and social security	658	-
Accruals and deferred income	6,042	2,100
	<u>22,121</u>	<u>9,899</u>

15 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2022

..... continued

16 Operating lease commitments

As at 30 September 2022 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	Other	
	2022 £	2021 £
Within one year	2,820	1,944
Within two and five years	9,060	1,080
	<u>11,880</u>	<u>3,024</u>

17 Other financial commitments

Freelance staff are under a three month notice agreement. Should the charity exercise this clause, the total commitment payable by the charity would total £13,749.

18 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £1,210 (2021 - £nil).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2022

..... continued

19 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

R Kellaway and R Hall are directors of the company and also trustees of Patrons of Lake District Summer Music, which was established to promote, improve, develop and maintain the education of the public in the study and appreciation of music and other arts by supporting the objects and activities of Lake District Summer Music Limited.

During the year the Patrons of Lake District Summer Music made a £20,000 donation to the company (2021 - £40,000).

20 Analysis of funds

	At 1 October 2021	Incoming resources	Resources expended	At 30 September 2022
	£	£	£	£
General Funds				
General funds	124,398	225,027	(205,016)	144,409
Restricted Funds				
Sir John Fisher Foundation	-	6,000	(6,000)	-
D'Oyly Carte Charitable Trust	-	3,936	(3,936)	-
Backstage Trust	-	5,000	(5,000)	-
Fidelio Charitable Trust	-	1,500	(1,500)	-
Idlewild Trust	-	3,700	(3,700)	-
	-	20,136	(20,136)	-
	<u>124,398</u>	<u>245,163</u>	<u>(225,152)</u>	<u>144,409</u>

Sir John Fisher Foundation - a fund to support the Innovation Project 2022

D'Oyly Carte Charitable Trust - funds granted to aid with the Artist Development Scheme

Backstage Trust - funds granted to engage the Odoro Trio, the Echea String Quartet and oboist Ewan Miller at the 2022 festival

Fidelio Charitable Trust - funds to develop a Young Artist Platform

Idlewild Trust - funds to develop a Young Artist Platform

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

..... continued

Prior period

	At 1 October 2020	Incoming resources	Resources expended	At 30 September 2021
	£	£	£	£
General Funds				
General funds	62,927	198,971	(137,500)	124,398
Restricted Funds				
Arts Council National Lottery	-	40,000	(40,000)	-
	-	40,000	(40,000)	-
	62,927	238,971	(177,500)	124,398

21 Net assets by fund

	Unrestricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£
Tangible assets	889	889	428
Current assets	165,641	165,641	133,869
Creditors: Amounts falling due within one year	(22,121)	(22,121)	(9,899)
Net assets	144,409	144,409	124,398

Prior period

	Unrestricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£
Tangible assets	428	428	-
Current assets	133,869	133,869	69,919
Creditors: Amounts falling due within one year	(9,899)	(9,899)	(6,992)
Net assets	124,398	124,398	69,927

Lake District Music Limited

England & Wales - Charity number 516350

Accounts

**Lake District Summer Music
Limited**

(A company limited by guarantee)

**Annual Report and Financial
Statements**

30 September 2021

**Company registration number: 01887957
Charity registration number: 516350**

dodd&co

Lake District Summer Music Limited
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Lake District Summer Music Limited
Reference and Administrative Details

Charity name	Lake District Summer Music Limited
Charity registration number	516350
Company registration number	01887957
Principal office	Stricklandgate House 92 Stricklandgate KENDAL LA9 4PU
Registered office	Stricklandgate House 92 Stricklandgate KENDAL LA9 4PU
Trustees	R Kellaway MBE, Honorary Life President H T G Hands, Chairman W H Sang, Deputy Chairman T A Davis, Honorary Treasurer R J D Dodgson MBE R Hall, Patrons of LDSM representative W G Jackson W Lloyd M W M Rayner T Reynish MBE (resigned 2 October 2020) J Rink J Scott C Wardle
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

Lake District Summer Music Limited
Trustees' Report for the Year Ended 30 September 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Lake District Summer Music Limited (the Company) for the year ended 30 September 2021. 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Company is registered as a charitable company limited by guarantee, registered number 516350, and was set up by a Memorandum of Association.

Organisational structure of the Company and the appointment of Trustees

The Company is administered by a Council of Management made up of the Trustees. Its powers are governed by the Memorandum and Articles of Association of the charitable company. The Council is responsible for the promotion of the charity's objectives and for the appointment of new trustees. It ensures that trustees have experience in the management of similar bodies in such areas as the arts, education, marketing, finance, fundraising, business, and human resources.

Artistic Leadership and Management

This year marked the inaugural year of two new leadership appointments to LDSM.

Stephen Threlfall was appointed Artistic Director effective 1 October 2020. Stephen is a cellist, conductor and creative director of numerous artistic projects. He stood down from his role as Director of Music at Chetham's School of Music in 2019 after 24 years during which the school prospered and developed under his musical guidance, commitment to the students, and to the wider musical community.

Nicholas Hardisty joined the organisation as Festival Administrator on 1 October 2020 and has since been appointed Festival Manager effective 1 October 2021. Nicholas is a violinist, holds an MPhil in musicology and joins us after six years as Production Coordinator of The English Concert, one of the world's foremost period orchestras.

Bookkeeping services were provided by Dixon & Gibbs Ltd.

OBJECTIVES AND ACTIVITIES

The objectives of the Company are to promote, maintain, improve, and advance the education of the public in the art of music and the other arts, and in particular to organise an annual music festival of international excellence and recognised standing in the Lake District, including the provision of support for emerging young musicians on the cusp of their careers.

Public benefit

Lake District Summer Music brings a distinct and compelling musical focus to Cumbria's cultural heritage through events that have the power to inspire and transform lives and careers. LDSM makes accessible to the communities of Cumbria, concerts by world-class artists who would not otherwise perform here. The involvement of the community itself in the festival has been a key feature of recent Festival programmes.

We attract significant investment to local businesses from national and international tourists and visitors. As an integral part of our Summer Festival, our Festival Début Concerts, masterclasses and educational projects, provide young musicians with the high-quality training and public performance opportunities they need to successfully launch their careers.

ACHIEVEMENTS AND PERFORMANCE

LDSM has arguably faced its greatest challenge during the 2021 festival and financial year. The rise of Covid-19, successive lockdowns, changing government regulations & guidance and the effect on audience confidence, to say nothing of the financial implications, presented significant obstacles to be overcome by the organisation and their new leadership.

Amidst the uncertainty, the organisation has been resolute in providing a respite to the audiences and communities they serve from the prolonged isolation that many have experienced. They have also been steadfast in their commitment to provide as many musicians originally engaged for the cancelled 2020 festival with the opportunities to perform in front of live audiences, supporting, with the necessary training and guidance, those at the start of their careers.

Lake District Summer Music Limited
Trustees' Report for the Year Ended 30 September 2021

Over 10 days, some 70 artists appeared in 30 events across the festival, selling more than 2,000 tickets to audiences experiencing the many concerts, masterclasses, walks, art and family events. Highlights include performances by pianist Steven Osborne, The Albion String Quartet, Manchester Collective and others, plus masterclasses given by cellist Robert Cohen and the Gould Piano Trio. To reach those unable to visit the festival, the vast majority of events were also filmed, available to watch online from around the world.

Amongst a series of new ventures for the 2021 festival was the inclusion of events specifically designed for families with young children. These proved especially popular and will be further expanding in coming years.

Managing the safety of all involved, especially in light of Covid-19, was of paramount importance throughout the festival. Through social distancing, additional cleaning, encouraging mask-wearing and various other safety measures, the organisation received no reports of Covid-19 infection, and all planned events were able to take place unaffected.

The organisation also decided early-on to adopt STEP 3 conditions from the Government's Covid recovery roadmap. This proved to be a prudent decision which not only provided a stable framework for continued planning and activity, but reassured audience confidence and avoided the many pitfalls which might have come from the many subsequent restriction changes that occurred throughout 2021.

FINANCIAL REVIEW

The income and expenditure budgets for 2020-21 were set at £185k.

Actual expenditure was £178k, the underspend being in Direct Festival Costs where £105k was spent against a budget of £112k. Individual variations from budget were relatively small with underspends in Artists, Event, Ticketing and Marketing being to some extent offset by overspends in Festival Support Team and Printing. Indirect costs were on budget at £73k.

The budget for Performance Revenue was set taking into account the Covid restrictions that could be reasonably foreseen. A decision was made by the Trustees to limit the number of seats offered for sale to allow social distancing to be maintained. In spite of this, the revenues were affected by the situation at the time of the Festival and were £6k below budget at £42k.

Grants from all sources were budgeted at £90k. Grants received amounted to £147k, exceeding budget by 60%. In a break with previous practice, LDSM engaged a fundraising consultant to assist in making grant applications. The success achieved suggest that this approach should be continued.

Individual Donations amounted to £46k, exceeding the budget by £12k.

Applications for a substantial part of the grants were made only in Q2 of 2021 against a background of considerable financial uncertainty and huge demands on Arts Funding. Against this background of significant potential shortfall should applications for grants be unsuccessful, the Trustees contributed 65% of the individual donations.

Overall, LDSM made an operating surplus of £59k.

The environment for fundraising for the arts remains extremely challenging, especially in the present/post-Covid world, and we are extremely grateful for the generosity of the trusts, businesses and individuals who gave grants and made donations to the Festival.

Risk Management

The Board has examined the major strategic, business and operational risks that the company faces and has put in place procedures and systems to manage these risks. These risks concern matters such as fire; health and safety of students, staff and audience; data protection; succession planning and long-term funding.

Lake District Summer Music Limited
Trustees' Report for the Year Ended 30 September 2021

Reserves Policy

Reserves at the year-end were £118k.

However, some reserves may not be available and are held as fixed assets.

Free reserves are £117k after deducting value carried forward for the fixed assets held on the balance sheet under unrestricted funds.

The aim of the Trustees is to maintain a sufficient level of reserves to sustain its operations taking into account potential risks. For prudent financial reasons, the Trustees have determined that the reserves of Lake District Summer Music Ltd should consist of three elements. Firstly, there should be a restricted reserve, for funds which have been designated as restricted by the donors or by trustees, the use of which might extend over a period greater than one financial year.

Secondly, there should, when appropriate, be a reserve designated for longer-term aspects of LDSM's finances, for example putting aside funds for future plans and developments.

Thirdly, there should be a free reserve, set aside and maintained at a level calculated to be sufficient to support LDSM in its regular activities and to meet unexpected expenditure.

For this financial year (ending 30 September 2021), the target level of these reserves was set at £80,000. It is LDSM's wish to raise the target amount for free reserves in the coming years in order to ensure a more stable financial base for its activities. The excess reserve over the 2020-21 target is therefore regarded as satisfactory.

Plans for the future

The Trustees are continuing to work to develop a sustainable model for the future of the Festival. In doing so they will need to bear in mind the continuing difficulty of the funding climate.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 29 April 2022 and signed on its behalf by:



H T G Hands
Trustee



T A Davis
Trustee

Lake District Summer Music Limited
Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Lake District Summer Music Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

**Independent Examiner's Report to the Trustees of
Lake District Summer Music Limited**

I report on the accounts of the company for the year ended 30 September 2021, which are set out on pages 7 to 18.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....
Faye Armstrong FCA
Dodd & Co Limited
Chartered Accountants

29 April 2022

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Lake District Summer Music Limited

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 30 September 2021

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020	
Note	£	£	£	£	
Income and endowments from:					
Donations and legacies	2	156,467	40,000	196,467	86,339
Charitable activities	3	42,328	-	42,328	-
Other	4	176	-	176	205
Total income and endowments		<u>198,971</u>	<u>40,000</u>	<u>238,971</u>	<u>86,544</u>
Expenditure on:					
Charitable activities		137,500	40,000	177,500	70,455
Total expenditure		<u>137,500</u>	<u>40,000</u>	<u>177,500</u>	<u>70,455</u>
Net movements in funds		61,471	-	61,471	16,089
Reconciliation of funds					
Total funds brought forward		62,927	-	62,927	46,838
Total funds carried forward		<u>124,398</u>	<u>-</u>	<u>124,398</u>	<u>62,927</u>

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 9 to 18 form an integral part of these financial statements.

Lake District Summer Music Limited
Company registration number: 01887957
Balance Sheet as at 30 September 2021

		2021		2020	
	Note	£	£	£	£
Fixed assets					
Tangible assets	10		428		-
Current assets					
Debtors	11	63,944		22,803	
Cash at bank and in hand		69,925		47,116	
		133,869		69,919	
Creditors: Amounts falling due within one year	12	(9,899)		(6,992)	
Net current assets			123,970		62,927
Net assets			124,398		62,927
The funds of the charity:					
Restricted funds			-		-
Unrestricted funds					
Unrestricted income funds			124,398		62,927
Total charity funds			124,398		62,927

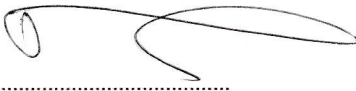
For the financial year ended 30 September 2021, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 29 April 2022 and signed on its behalf by:



H T G Hands
Trustee



T A Davis
Trustee

The notes on pages 9 to 18 form an integral part of these financial statements.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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.

Basis of preparation

The charitable company 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 notes.

Going concern

The Charity has considered whether the use of the going concern basis for accounting is appropriate. To do this, they have considered whether there are any material uncertainties as to the Charity's ability to continue as a going concern.

Following the COVID-19 outbreak, the trustees have prepared detailed cash flow projections, budgets and continually monitor the ongoing situation to assess the impact on the charity. Normal operations have since resumed and the trustees are satisfied that there are no material uncertainties about the charity's ability to continue as a going concern.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Further details of each fund are disclosed in note 17.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

..... continued

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Where services or facilities are provided to the Charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at cost to the donor or the resale value of the goods that are to be sold.

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The Charity 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 Charity 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.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Piano, staging and office equipment 20% straight line basis

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

..... continued

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Donations and legacies				
Legacies and bequests	-	-	-	10,006
Appeals and donations	39,217	-	39,217	18,281
Gift Aid tax reclaimed	7,200	-	7,200	3,802
Donated services	3,300	-	3,300	-
	49,717	-	49,717	32,089
Grants				
Grants	106,750	40,000	146,750	54,250
	156,467	40,000	196,467	86,339

Of the donations and legacies income in 2020, all related to unrestricted funds. Of the grants income in 2020, £53,250 related to unrestricted funds and £1,000 related to restricted funds.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2021

..... continued

3 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Charitable activities	42,328	-	42,328	-

4 Other

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Other	176	-	176	205

Of the other income in 2020, £205 related to unrestricted funds.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

..... continued

5 Expenditure

	Raising funds	Other expenditure	Total 2021	Total 2020
	£	£	£	£
Direct costs				
Other fundraising costs	5,349	-	5,349	-
Artist fees and expenses	-	28,177	28,177	1,060
Event costs	-	21,691	21,691	2,277
Film costs	-	12,670	12,670	-
Box office licence	-	2,778	2,778	-
Staff and tutor fees and expenses	-	4,881	4,881	-
Printing and stationery	-	10,183	10,183	-
Press and advertising	-	8,235	8,235	2,545
Accommodation	-	10,448	10,448	-
Credit card charges	-	402	402	327
	5,349	99,465	104,814	6,209
Support costs				
Freelance staff	5,034	50,895	55,929	40,777
Rent	113	2,144	2,257	7,218
Insurance	-	453	453	453
Telephone and fax	49	933	982	1,425
Office expenses	3	61	64	180
Computer software and maintenance costs	7	141	148	1,711
Printing, postage and stationery	136	2,965	3,101	831
Trade subscriptions	-	1,274	1,274	300
Sundry expenses	40	980	1,020	346
Travel and subsistence	388	3,923	4,311	4,113
Accountancy fees	34	2,164	2,198	4,306
Independent examiner's fee	-	720	720	720
Legal and professional fees	-	35	35	235
Bank charges	-	155	155	122
Depreciation of office equipment	-	39	39	1,509
	5,804	66,882	72,686	64,246
	11,153	166,347	177,500	70,455

Of the expenditure in 2020, £1,000 related to restricted funds and £69,455 related to unrestricted funds.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2021

..... continued

Support cost allocations

The following support costs have been split, 5% to Raising Funds and the remainder to Other Expenditure:

- Rent
- Insurance
- Telephone and fax
- Office expenses
- Computer software and maintenance costs

The following support costs have been split, 9% to Raising Funds and the remainder to Other Expenditure:

- Freelance staff

The following support costs have been split, 10% to Raising Funds and the remainder to Other Expenditure:

- Travel and subsistence

Sundry expenses have been split as follows:

- Sundry expenses, 5% to Raising Funds and the remainder to Other Expenditure
- Meeting costs, 100% to Other Expenditure
- Training costs, 100% to Other Expenditure

Accountancy fees have been split as follows:

- Bookkeeping costs, 5% to Raising Funds and the remainder to Other Expenditure
- Audit & accountancy, 100% to Other Expenditure

The remaining support costs have been allocated directly to resources as shown above. The split has been based on the trustees estimate of time and resources utilised during the year in fund raising activities.

6 Governance costs

	2021	2020
	£	£
Accountancy fees	2,198	4,306
Independent examiner's fee	720	720
Legal and professional fees	35	235
	2,953	5,261

7 Trustees' remuneration and expenses

No trustees received any remuneration or expenses during the year.

8 Net income

Net income is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	39	1,509
Independent examiner's fee	720	720
	759	2,229

9 Employees' remuneration

No employee received emoluments of more than £60,000 during the year (2020 - No. 0).

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

..... continued

10 Tangible fixed assets

	Piano, staging and office equipment £
Cost	
As at 1 October 2020	75,328
Additions	467
As at 30 September 2021	75,795
Depreciation	
As at 1 October 2020	75,328
Charge for the year	39
As at 30 September 2021	75,367
Net book value	
As at 30 September 2021	428
As at 30 September 2020	-

11 Debtors

	2021 £	2020 £
Trade debtors	-	485
Other debtors	7,194	2,318
Prepayments and accrued income	56,750	20,000
	63,944	22,803

12 Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	7,799	4,892
Accruals and deferred income	2,100	2,100
	9,899	6,992

13 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2021

..... continued

14 Operating lease commitments

As at 30 September 2021 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	Other	
	2021	2020
	£	£
Within one year	1,944	3,168
Within two and five years	1,080	3,024
	<u>3,024</u>	<u>6,192</u>

15 Other financial commitments

Freelance staff are under a three month notice agreement. Should the charity exercise this clause, the total commitment payable by the charity would total £11,250.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2021

..... continued

16 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

R Kellaway and R Hall are directors of the company and also trustees of Patrons of Lake District Summer Music, which was established to promote, improve, develop and maintain the education of the public in the study and appreciation of music and other arts by supporting the objects and activities of Lake District Summer Music Limited.

During the year the Patrons of Lake District Summer Music made a £40,000 donation to the company (2020 - £nil).

17 Analysis of funds

	At 1 October 2020	Incoming resources	Resources expended	At 30 September 2021
	£	£	£	£
General Funds				
General funds	62,927	198,971	(137,500)	124,398
Restricted Funds				
The RuN Fund	-	-	-	-
Arts Council National Lottery	-	40,000	(40,000)	-
	-	40,000	(40,000)	-
	<u>62,927</u>	<u>238,971</u>	<u>(177,500)</u>	<u>124,398</u>

The RuN fund is made up of a donation received as a contribution towards Festival Debut related costs.

Arts Council National Lottery fund was received towards the costs of Lake District Summer Music 2021: Live, online and reimagined to entice new audiences and provide engagement and support to 63 artists.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2021

..... continued

Prior period

	At 1 October 2019	Incoming resources	Resources expanded	At 30 September 2020
	£	£	£	£
General Funds				
General funds	46,838	85,544	(69,455)	62,927
Restricted Funds				
The RuN Fund	-	1,000	(1,000)	-
	-	1,000	(1,000)	-
	<u>46,838</u>	<u>86,544</u>	<u>(70,455)</u>	<u>62,927</u>

18 Net assets by fund

	Unrestricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£
Tangible assets	428	428	-
Current assets	133,869	133,869	69,919
Creditors: Amounts falling due within one year	(9,899)	(9,899)	(6,992)
Net assets	<u>124,398</u>	<u>124,398</u>	<u>62,927</u>

Prior period

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Tangible assets	-	-	1,509
Current assets	69,919	69,919	48,223
Creditors: Amounts falling due within one year	(6,992)	(6,992)	(2,904)
Net assets	<u>62,927</u>	<u>62,927</u>	<u>46,838</u>

Lake District Music Limited

England & Wales - Charity number 516350

Accounts

**Lake District Summer Music
Limited**

(A company limited by guarantee)

**Annual Report and Financial
Statements**

30 September 2020

Company registration number: 01887957

Charity registration number: 516350



Lake District Summer Music Limited
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Lake District Summer Music Limited
Reference and Administrative Details

Charity name	Lake District Summer Music Limited
Charity registration number	516350
Company registration number	01887957
Principal office	Stricklandgate House 92 Stricklandgate KENDAL LA9 4PU
Registered office	Stricklandgate House 92 Stricklandgate KENDAL LA9 4PU
Trustees	R Kellaway MBE, Honorary Life President H T G Hands, Chairman W H Sang, Deputy Chairman T A Davis, Honorary Treasurer (appointed 28 February 2020) R J D Dodgson MBE (appointed 28 February 2020) R Hall, Patrons of LDSM representative W G Jackson W Lloyd H L Nasmyth (resigned 1 November 2019) M W M Rayner T Reynish MBE (resigned 2 October 2020) J Rink (appointed 28 February 2020) J Scott (appointed 28 February 2020) S T Threlfall (resigned 30 September 2020) C Wardle
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

Lake District Summer Music Limited
Trustees' Report for the Year Ended 30 September 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Lake District Summer Music Limited (the Company) for the year ended 30 September 2020. 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Company is registered as a charitable company limited by guarantee, registered number 516350, and was set up by a Memorandum of Association.

Organisational structure of the Company and the appointment of Trustees

The Company is administered by a Council of Management made up of the Trustees. Its powers are governed by the Memorandum and Articles of Association of the charitable company. The Council is responsible for the promotion of the charity's objectives and for the appointment of new trustees. It ensures that trustees have experience in the management of similar bodies in such areas as the arts, education, marketing, finance, fundraising, business, and human resources.

Artistic Leadership and Management

This year marked a significant change in the artistic leadership and management of LDSM.

Renna Kellaway MBE who founded LDSM and has been its Artistic Director for thirty-five years retired at the end of September 2020. Renna has been the inspiration and guiding light of The Festival during the whole of its existence and it is a matter of great regret that the Festival could not take place in her final year. Renna remains a Trustee of LDSM and following her retirement accepted the position of Honorary Life President.

Stephen Threlfall was appointed Artistic Director effective 1 October 2020. Stephen is a cellist, conductor and creative director of numerous artistic projects. He stood down from his role as Director of Music at Chetham's School of Music in 2019 after 24 years during which the school prospered and developed under his musical guidance, commitment to the students, and to the wider musical community.

The position of General Manager, which had been filled by Kim Sargeant since 2014, was discontinued at the end of September 2020. A new position of Festival Administrator has been created and Nicholas Hardisty was appointed to the position from October 2020. Nick is a violinist, holds a MPhil in musicology and joins us after six years as Production Coordinator of The English Concert, one of the world's foremost period orchestras.

OBJECTIVES AND ACTIVITIES

The objectives of the Company are to promote, maintain, improve, and advance the education of the public in the art of music and the other arts, and, in particular, to organise an annual music festival of international excellence and recognised standing in the Lake District, including the provision of support for emerging young musicians on the cusp of their careers.

Public benefit

Lake District Summer Music brings a distinct and compelling musical focus to Cumbria's cultural heritage through events that have the power to inspire and transform lives and careers. LDSM makes accessible to the communities of Cumbria concerts by world-class artists who would not otherwise perform here. The involvement of the community itself in the festival has been a key feature of recent Festival programmes.

We attract significant investment to local businesses from national and international tourists and visitors. As an integral part of our Summer Festival, our Festival Début Concerts, with associated masterclasses and educational projects, provide young musicians with the high-quality training and public performance opportunities they need to succeed.

Lake District Summer Music Limited
Trustees' Report for the Year Ended 30 September 2020

ACHIEVEMENTS AND PERFORMANCE

At the end of March 2020 planning for the 2020 Festival was well advanced and in the months following, under normal circumstances, commitments would have been made for programme printing and distribution followed by ticket sales starting at the end of May. On 3 April, following the Government's imposition of a national lockdown, the Council of Management unanimously agreed that the 2020 Festival should be cancelled.

During the remainder of the financial year, through to September our efforts were directed towards:

1. maintaining financial viability by reducing ongoing costs to a minimum and by securing whatever grants and donations were available to us.
2. engaging the new Festival Administrator and Artistic Director and ensuring a smooth transition to the new Artistic Leadership and Management.

Since October 2020 the new team has been planning for the August 2021 Festival. It is hoped that the Festival will be held without restrictions although contingency scenarios are also being planned should that not be the case.

FINANCIAL REVIEW

In March 2020 we were notified by the Arts Council that we had been awarded a project grant for the 2020 Festival. Immediately following the cancellation, we applied to the Arts Council to have the grant re-purposed to help meet the ongoing costs necessary to allow continued survival of the organisation and planning for the 2021 festival. Approval of the re-purposing was received at the end of April with the grant providing funding through to April 2021.

Because of the cancellation we had to suspend all applications that we had submitted or were in the process of submitting to funding organisations.

We applied for and received a grant from the Coronavirus Local Authority Discretionary Grants Fund and the grant we regularly receive from SLDC's Strategic Cultural Partnership was confirmed.

Following the announcement of the cancellation we received numerous donations from individual donors and most donors who regularly donate continued to do so. We were fortunate to receive a substantial legacy from the estate of late Jerit Hockenull for which we are most grateful.

The Patrons of LDSM did not make their regular donation this financial year but have committed to carry that donation forward into the financial year 2021.

In order to reduce ongoing costs we took the following steps:

- The hours worked by the General Manager were reduced and certain administrative tasks were undertaken by Trustees.
- We reduced the size of our office resulting in lower rental costs.
- We dispensed with the services of our bookkeeper

Helped by these measures we made an operating surplus of £16,089.

2021 will present considerable financial challenges. There is uncertainty in what revenue we shall be able to raise from ticket sales as we do not know what audience restrictions will apply at the time. Funding organisations will face unprecedented demands on their limited resources because of the financial difficulties suffered by all performing arts. We shall continue to rely heavily on the support of individuals who have supported so generously in the past.

Risk Management

The Board has examined the major strategic, business and operational risks that the company faces and has put in place procedures and systems to manage these risks. These risks concern matters such as fire; health and safety of performers, staff and audience; data protection; succession planning and long-term funding.

Lake District Summer Music Limited
Trustees' Report for the Year Ended 30 September 2020

Reserves Policy

Reserves at the year-end were £62,927.

However, some reserves may not be available and are held as fixed assets. Fixed assets were depreciated to nil carry forward value during the year.

Free reserves are £62,927 as there is no value carried forward for the fixed assets held on the balance sheet.

The aim of the Trustees is to maintain a sufficient level of reserves to sustain its operations taking into account potential risks. For prudent financial reasons, the Trustees have determined that the reserves of Lake District Summer Music Ltd should consist of three elements. Firstly, there should be a restricted reserve, for funds which have been designated as restricted by the donors or by trustees, the use of which might extend over a period greater than one financial year. Secondly, there should, when appropriate, be a reserve designated for longer-term aspects of LDSM's finances, for example putting aside funds for future plans and developments. Thirdly, there should be a free reserve, set aside and maintained at a level calculated to be sufficient to support LDSM in its regular activities and to meet unexpected expenditure.

For this financial year, the target level of these reserves has been set at £50,000. It is LDSM's wish to raise the target amount for free reserves in the coming years in order to ensure a more stable financial base for its activities. The excess reserve over current target is therefore regarded as satisfactory.

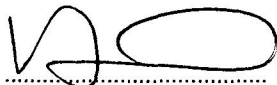
PLANS FOR THE FUTURE

The Trustees are continuing to work to develop a sustainable model for the future of the Festival. In doing so they will need to bear in mind the continuing difficulty of the funding climate.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 30 April 2021 and signed on its behalf by:



H T G Hands
Trustee



T A Davis
Trustee

Lake District Summer Music Limited
Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Lake District Summer Music Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

**Independent Examiner's Report to the Trustees of
Lake District Summer Music Limited**

I report on the accounts of the company for the year ended 30 September 2020, which are set out on pages 7 to 21.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.


Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....
Faye Armstrong FCA
Dodd & Co Limited
Chartered Accountants

30 April 2021

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Lake District Summer Music Limited
Statement of Financial Activities (including Income and Expenditure Account) for the Year
Ended 30 September 2020

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019	
Note	£	£	£	£	
Income and endowments from:					
Donations and legacies	2	85,339	1,000	86,339	131,931
Charitable activities	3	-	-	-	73,701
Other	4	205	-	205	231
Total income and endowments		<u>85,544</u>	<u>1,000</u>	<u>86,544</u>	<u>205,863</u>
Expenditure on:					
Charitable activities		69,455	1,000	70,455	212,690
Total expenditure		<u>69,455</u>	<u>1,000</u>	<u>70,455</u>	<u>212,690</u>
Net movements in funds		16,089	-	16,089	(6,827)
Reconciliation of funds					
Total funds brought forward		46,838	-	46,838	53,665
Total funds carried forward		<u>62,927</u>	<u>-</u>	<u>62,927</u>	<u>46,838</u>

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 9 to 21 form an integral part of these financial statements.

Lake District Summer Music Limited
Company registration number: 01887957
Balance Sheet as at 30 September 2020

	Note	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	10		-		1,509
Current assets					
Debtors	11	22,803		31,518	
Cash at bank and in hand		47,116		16,715	
		<u>69,919</u>		<u>48,233</u>	
Creditors: Amounts falling due within one year	12	<u>(6,992)</u>		<u>(2,904)</u>	
Net current assets			<u>62,927</u>		<u>45,329</u>
Net assets			<u>62,927</u>		<u>46,838</u>
The funds of the charity:					
Restricted funds			-		-
Unrestricted funds					
Unrestricted income funds			<u>62,927</u>		<u>46,838</u>
Total charity funds			<u>62,927</u>		<u>46,838</u>

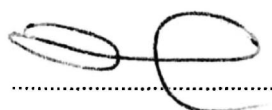
For the financial year ended 30 September 2020, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 30 April 2021 and signed on its behalf by:



H T G Hands
Trustee



T A Davis
Trustee

The notes on pages 9 to 21 form an integral part of these financial statements.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2020

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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.

Basis of preparation

The charitable company 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 notes.

Going concern

The Charity has considered whether the use of the going concern basis for accounting is appropriate. To do this, they have considered whether there are any material uncertainties as to the Charity's ability to continue as a going concern.

Following the COVID-19 outbreak, the trustees have prepared detailed cash flow projections, budgets and continually monitor the ongoing situation to assess the impact on the charity. Currently there remains uncertainty as to what extent the annual music festival will be able to take place this year. Should the festival go ahead without restriction it is budgeted to do so at a surplus. If restrictions are in force the charity will cut its spending accordingly and draw on its reserves as necessary. The trustees remain confident that there are sufficient funds available to see the charity through until normal operations can resume and are satisfied that there are no material uncertainties about the charity's ability to continue as a going concern.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Further details of each fund are disclosed in note 17.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Where services or facilities are provided to the Charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at cost to the donor or the resale value of the goods that are to be sold.

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The Charity 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 Charity 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.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Piano, staging and office equipment	20% straight line basis
-------------------------------------	-------------------------

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Donations and legacies				
Legacies and bequests	10,006	-	10,006	-
Appeals and donations	18,281	-	18,281	46,824
Gift Aid tax reclaimed	3,802	-	3,802	4,739
Donated services	-	-	-	7,200
	32,089	-	32,089	58,763
Grants				
Grants - other agencies	53,250	1,000	54,250	73,168
	85,339	1,000	86,339	131,931

Of the donations and legacies income in 2019, £56,343 related to unrestricted funds and £2,420 related to restricted funds. Of the grants income in 2019, £73,168 related to restricted funds.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

3 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Charitable activities	-	-	-	73,701

Of the income from charitable activities in 2019, £73,701 related to unrestricted funds.

4 Other

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Other	205	-	205	231

Of the other income in 2019, £231 related to unrestricted funds.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

5 Expenditure

	Raising funds	Other expenditure	Total 2020	Total 2019
	£	£	£	£
Direct costs				
Voluntary staff costs	-	-	-	4,024
Artist fees and expenses	-	1,060	1,060	49,849
Event costs	-	2,277	2,277	25,161
Wages and salaries	-	-	-	4,024
Staff and tutor fees and expenses	-	-	-	5,770
Printing and stationery	-	-	-	8,142
Press and advertising	-	2,545	2,545	10,015
Promotional expenses and discounts	-	-	-	3,687
Accommodation	-	-	-	11,362
Credit card charges	-	327	327	578
	<u>-</u>	<u>6,209</u>	<u>6,209</u>	<u>122,612</u>
Support costs				
Wages and salaries	-	-	-	2,012
Freelance staff	3,807	36,970	40,777	55,008
Rent	361	6,857	7,218	7,185
Insurance	23	430	453	768
Telephone and fax	63	1,362	1,425	1,787
Office expenses	9	171	180	395
Computer software and maintenance costs	85	1,626	1,711	2,065
Printing, postage and stationery	-	831	831	993
Trade subscriptions	-	300	300	609
Sundry expenses	9	337	346	376
Travel and subsistence	411	3,702	4,113	5,857
Promotional expenses	-	-	-	2,752
Accountancy fees	137	4,169	4,306	7,752
Independent examiner's fee	-	720	720	720
Legal and professional fees	-	235	235	67
Bank charges	-	122	122	225
Depreciation of office equipment	-	1,509	1,509	1,507
	<u>4,905</u>	<u>59,341</u>	<u>64,246</u>	<u>90,078</u>
	<u>4,905</u>	<u>65,550</u>	<u>70,455</u>	<u>212,690</u>

Of the expenditure in 2019, £75,588 related to restricted funds and £137,102 related to unrestricted funds.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

Support cost allocations

The following support costs have been split, 5% to Raising Funds and the remainder to Other Expenditure:

- Rent
- Insurance
- Telephone and fax
- Office expenses
- Computer software and maintenance costs

The following support costs have been split, 9% to Raising Funds and the remainder to Other Expenditure:

- Freelance staff

The following support costs have been split, 10% to Raising Funds and the remainder to Other Expenditure:

- Travel and subsistence

Sundry expenses have been split as follows:

- Sundry expenses, 5% to Raising Funds and the remainder to Other Expenditure
- Meeting costs, 100% to Other Expenditure
- Training costs, 100% to Other Expenditure

Accountancy fees have been split as follows:

- Bookkeeping costs, 5% to Raising Funds and the remainder to Other Expenditure
- Audit & accountancy, 100% to Other Expenditure

The remaining support costs have been allocated directly to resources as shown above. The split has been based on the trustees estimate of time and resources utilised during the year in fund raising activities. No festival this year has resulted in the majority of support costs being allocated under Other Expenditure.

6 Governance costs

	2020	2019
	£	£
Accountancy fees	4,306	7,752
Independent examiner's fee	720	720
Legal and professional fees	235	67
	5,261	7,452

7 Trustees' remuneration and expenses

No trustees received any remuneration during the year.

8 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets	1,509	1,507
Independent examiner's fee	720	720
	1,509	1,507

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

9 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2020	2019
	No.	No.
Charitable activities	-	1

The aggregate payroll costs of these persons were as follows:

	2020	2019
	£	£
Wages and salaries	-	10,060

No employee received emoluments of more than £60,000 during the year (2019 - No. 0).

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

10 Tangible fixed assets

	Piano, staging and office equipment £
Cost	
As at 1 October 2019 and 30 September 2020	<u>75,328</u>
Depreciation	
As at 1 October 2019	73,819
Charge for the year	<u>1,509</u>
As at 30 September 2020	<u>75,328</u>
Net book value	
As at 30 September 2020	<u><u>-</u></u>
As at 30 September 2019	<u><u>1,509</u></u>

11 Debtors

	2020	2019
	£	£
Trade debtors	485	762
Other debtors	2,318	4,838
Prepayments and accrued income	<u>20,000</u>	<u>25,918</u>
	<u><u>22,803</u></u>	<u><u>31,518</u></u>

12 Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	4,892	904
Accruals and deferred income	<u>2,100</u>	<u>2,000</u>
	<u><u>6,992</u></u>	<u><u>2,904</u></u>

13 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

14 Operating lease commitments

As at 30 September 2020 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	Other	
	2020	2019
	£	£
Within one year	3,168	3,168
Within two and five years	3,024	6,192
	<u>6,192</u>	<u>9,360</u>

15 Other financial commitments

Freelance staff are under a three month notice agreement. Should the charity exercise this clause, the total commitment payable by the charity would total £11,250.

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

16 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

R Kellaway is a director of the company and also a trustee of Patrons of Lake District Summer Music, which was established to promote, improve, develop and maintain the education of the public in the study and appreciation of music and other arts by supporting the objects and activities of Lake District Summer Music Limited.

During the year the Patrons of Lake District Summer Music made no donation to the company (2019 - £20,000).

17 Analysis of funds

	At 1 October 2019	Incoming resources	Resources expended	At 30 September 2020
	£	£	£	£
General Funds				
General funds	46,838	85,544	(69,455)	62,927
Restricted Funds				
The RuN Fund	-	1,000	(1,000)	-
	<u>46,838</u>	<u>86,544</u>	<u>(70,455)</u>	<u>62,927</u>

The RuN fund is made up of a donation received as a contribution towards Festival Debut related costs.

Lake District Summer Music Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

Prior period

	At 1 October 2018	Incoming resources	Resources expanded	At 30 September 2019
	£	£	£	£
General Funds				
General funds	53,665	130,275	(137,102)	46,838
Restricted Funds				
Stephen Bell Charitable Trust	-	3,668	(3,668)	-
Strategic Cultural Partnership Grant	-	6,250	(6,250)	-
RVW Trust	-	1,500	(1,500)	-
Roundhouse Foundation	-	2,000	(2,000)	-
Martin Rayner	-	2,420	(2,420)	-
The RuN Fund	-	1,000	(1,000)	-
Patrons of LDSM	-	20,000	(20,000)	-
IDA Carroll Trust	-	1,000	(1,000)	-
Richard Hall Charitable Trust	-	1,000	(1,000)	-
Arts Council National Lottery	-	35,000	(35,000)	-
William Alwyn Foundation	-	800	(800)	-
Kirckman Concert Society	-	550	(550)	-
Schubert Ensemble Trust	-	400	(400)	-
	-	75,588	(75,588)	-
	<u>53,665</u>	<u>205,863</u>	<u>(212,690)</u>	<u>46,838</u>

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

18 Net assets by fund

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Tangible assets	-	-	1,509
Current assets	69,919	69,919	48,233
Creditors: Amounts falling due within one year	(6,992)	(6,992)	(2,904)
Net assets	<u>62,927</u>	<u>62,927</u>	<u>46,838</u>

Prior period

	Unrestricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£
Tangible assets	1,509	1,509	3,016
Current assets	48,233	48,233	64,017
Creditors: Amounts falling due within one year	(2,904)	(2,904)	(13,368)
Net assets	<u>46,838</u>	<u>46,838</u>	<u>53,665</u>

Lake District Summer Music Limited
Notes to the Financial Statements for the Year Ended 30 September 2020

..... continued

17 Grants and donations

Donor	Details	Unrestricted Funds (£)	Restricted Funds (£)
Anonymous Donors		5,000	
Rachel Isherwood		1,000	
Kate Dugdale		5,000	
Eira Leach		2,000	
Linda Hepworth		1,000	
Arts Council National Lottery	Repurposed Festival Grant	40,000	
SLDC	Strategic Cultural Partnership Grant	6,250	
SLDC	Discretionary Grant Fund	6,000	
Other individual donors		4,293	
The RuN Fund	Supporting Festival Début concerts		1,000