

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
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**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'.

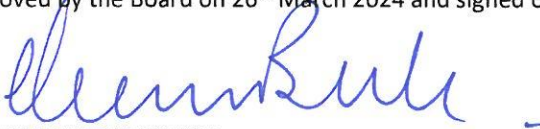
Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that 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
		<u>152,122</u>	<u>165,641</u>
CREDITORS: Amounts falling due within one year	11	<u>(25,404)</u>	<u>(22,121)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		126,718	143,520
NET ASSETS		<u><u>127,413</u></u>	<u><u>144,409</u></u>
THE FUNDS OF THE CHARITY			
Restricted Funds	12	-	-
Unrestricted Funds	12	127,413	144,409
TOTAL CHARITY FUNDS		<u><u>127,413</u></u>	<u><u>144,409</u></u>

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
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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	74,165	-	74,165	69,693

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	2,164	-	2,164	178

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
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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
	<u>8,941</u>	<u>7,165</u>

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
	<u>36,976</u>	<u>34,210</u>

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
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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
	<u>1</u>	<u>1</u>

9. TANGIBLE FIXED ASSETS

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

10. DEBTORS

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

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
	<u>25,404</u>	<u>22,121</u>

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	<u>-</u>	<u>121,150</u>	<u>121,150</u>	<u>-</u>
	<u>144,409</u>	<u>353,939</u>	<u>370,935</u>	<u>127,413</u>

LAKE DISTRICT MUSIC LIMITED
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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.

