

"LITTLE WORLD" LIMITED
(a company limited by guarantee)

OPERATING AS HORSE + BAMBOO THEATRE

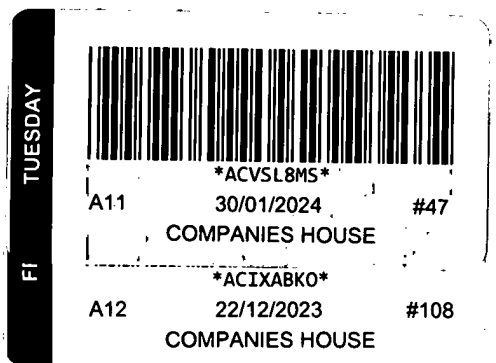
ANNUAL REPORT

AND UNAUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED MARCH 31 2023

**HORSE
+ BAM
BOO**



Company number 1731859
Charity number 292326

**"LITTLE WORLD" LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31 2023**

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**"LITTLE WORLD" LIMITED
CHAIR'S FOREWORD
FOR THE YEAR ENDED MARCH 31 2023**

April 2022 brought with it two events for Horse + Bamboo that have shown significant impact throughout the year: the re-naming of the Waterfoot venue from 'The Boo' to the now unified brand, 'Horse + Bamboo'; and a successful capital investment to prioritise access and sustainability in our heritage building. Both of these new activities celebrate the organisation's 46 year history whilst championing and prioritising the work that is being produced today.

23/24 brings about the start of the next Arts Council NPO funding period that thanks to an uplift in funding, will include delivery of the new Horse + Bamboo Creation Centre. It will also begin the exciting process of research and documentation of Horse + Bamboo's unique archive – creating much needed space for current and future artists to develop in, as well as the inspirational 'Horse + Bamboo Museum' that will celebrate the company's past work, as well as placing the unique collection in context of Rossendale and Pennine Lancashire's history. We look forward to our management and staff team taking on these challenges alongside a strengthened board of trustees and welcoming in the next phase of the organisation – as we begin to look towards our 50th year.

Alex McDonald

Alex McDonald - Chair

**"LITTLE WORLD" LIMITED
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED MARCH 31 2023**

DIRECTORS

Caroline Eccles
Peter Latham
Anthony McClean
Alexander McDonald
Yousef Sheikh
Siobhan Rocks

COMPANY SECRETARY

Jennifer Camilleri

KEY STAFF

Esther Ferry-Kennington

Creative Development Director

Jennifer Camilleri

Executive Producer

**REGISTERED OFFICE AND
PRINCIPAL PLACE OF BUSINESS**

Horse + Bamboo
679 Bacup Rd, Waterfoot, Rossendale
BB4 7HB

**INDEPENDENT EXAMINER
ACCOUNTANTS**

Stacy Mason
HGA Accountants & Financial Consultants Ltd
t/a Chittenden Horley - Chartered Accountants
Hyde Park House
Cartwright Street
Hyde, SK14 4EH

BANKERS

CAF Bank Ltd
Kings Hill, West Malling, Kent

**"LITTLE WORLD" LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2023**

The trustees present their annual report together with the financial statements of the charity for the year ended March 31 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies act purposes.

REPORTING FRAMEWORK

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), referred to as the Charities SORP (FRS 102) (second edition – October 2019).

OBJECTIVES AND ACTIVITIES

Charitable objects

Its charitable objectives are the promotion of public education and the encouragement of the arts through the visual and performance arts. It achieves its charitable objectives through its principal activities. The Horse + Bamboo exists to pursue excellence in visual theatre and related activities. In particular, the Company seeks to take innovative theatre to sections of the community normally denied access to live performance by reason of location, level of physical, sensory or learning ability, ethnic background or social status.

Aims

Organisational Vision

Horse + Bamboo creates exciting, cultural events that remind us all of the wonder of being alive in this endlessly fascinating world. We aspire to reach all sections of society and to respond and listen to the needs of our surrounding communities in Rossendale and the North-West. We will be a vital part of our neighbourhood, creating a place where the seed of creativity can be planted, fed and nurtured.

Mission Statement

We draw inspiration from our location in Rossendale and reflect our sense of place in the events that we produce. We are part of the cultural fabric of our neighbourhood through our venue and outreach and we celebrate and actively reflect its rich diversity. Our venue provides a sense of belonging, a place for inspiration and a welcoming environment where experiences are shared through theatre, music and film.

We are a leader in Folk Art and define this in its broadest sense, from young people creating videos and dance on TikTok and other digital platforms, to the folklore of the many global communities that have chosen Lancashire as their home, to the traditional arts and dance of Lancashire's historic communities. We are interested in gathering community stories but seek to do this in a way that considers the ethics and authenticity of our role and which credits and cares for all contributors and fellow creators. We are always redefining what this means in practice so as to reflect the role of new technologies and community created content in folk art alongside traditions, folklore and ceremony.

Within our building we also house our Creation Centre, a space for artists to collaborate, create and share their work. It comprises a rehearsal room and fully-equipped making workshop alongside technical and digital capacity to research, develop and fully realise creative ideas.

Our extensive archive highlights four decades of visual theatre, national and international touring, processional arts, puppetry, music and mask. This provides us with a bedrock of inspiration from which to continuously grow new work, which is connected to, not limited by, our illustrious history.

Values

- Everyone is creative
- Our cultural lives matter. They are vital to who each of us is. It is a human right.
- We will not allow lack of finance to limit participation.
- We take our civic responsibility seriously.
- We will show leadership in environmental sustainability within our organisation and in developing partnerships.

Activities

- 100 seat venue and community centre programming theatre, music and film
- H+B Creation Centre that supports artists from across Rossendale in the development of new work
- Baby Boo – early years programme of engagement and performance
- Making a Change – residencies in prisons supporting families connections and storytelling
- Creation of theatrical work with and for our community
- Management of a capital investment for 22 / 23 into our heating and energy systems.
- Waterfoot Wakes – a free, fun festival for all the family of outdoors arts, music and theatre throughout the town
- Bacup Cultural Consortium – Chair of the committee which manages Historic England investment into Bacup Hight Street in partnership with Rossendale Borough Council
- CottonShed Theatre – Delivery of management services to support delivery of inclusive theatre workshops, early years activities and sessions in care homes across Rossendale.

**"LITTLE WORLD" LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2023**

Public benefit

The charity has had regard to the Charity Commission guidance on public benefit and the trustees believe that all the activities of the charity deliver public benefit as set out in this report.

Contribution of volunteers

Volunteers support the delivery of events at Horse + Bamboo and contribute to marketing content and advocacy for the company in our locality.

ACHIEVEMENTS AND PERFORMANCE

Rebrand

'Horse + Bamboo' – a name that now includes all facets of the company's work past and present, has benefited from the significant investment made in 21/22, towards the rebranding of the company which launched in April 2022. This included new print and website that communicates the legacy of the company whilst championing the work that is produced today and making us attractive to new audiences & artists. Alongside the returning confidence for audiences to come back to live events this year, the investment in marketing alongside increased programming budget & capacity particularly aimed at live music, has seen the overall performances & workshop income increase substantially on previous years.

101 Dishes for the Emperor

In July 22, we welcomed an exhibition based on new children's book '101 Dishes for the Emperor' written by Soni Zuberi Shah and illustrated by Fatima Zahra Hassan. The book and accompanying exhibition showcased Fatima's Mughal miniature paintings, launching in Watermans Arts Centre in London before coming to Rossendale. The show was opened at the start of July with a fantastic launch event at Horse + Bamboo that saw many of our local South Asian community engage with the work, and remained up in the café/bar area throughout Waterfoot Wakes festival at the end of the month – where it was then accompanied by supporting performances from Horse + Bamboo associate artist, Hina the Storyteller.

Banglaffolk

Following a trip by our Creative Development Director in March 22 to Bangladesh to study a heritage form of theatre called Jatra, a new show was piloted in this style and presented at Encounter Festival in Preston in September '22. Ongoing development of Jatra theatre practice will continue including the possibility of a Jatra youth theatre group.

CottonShed Theatre

This year saw a new partnership with CottonShed Theatre, a local Rossendale charity set up in 2007, initially by renowned London charity, ChickenShed. CottonShed Theatre's charitable aims are around producing inclusive theatre workshop & performances for anyone, with or without additional needs - their tag line 'Where the people are the theatre'. Having struggled with staff and trustee changes as well as membership losses over an extended period of closure over Covid-19 pandemic, from September 2022 CottonShed restarted an outstanding Reaching Communities bid, alongside a new contracted agreement with Horse + Bamboo. The bid and new contract include delivery of inclusive theatre workshops, early years sessions and work within Rossendale care homes. This partnership has not only meant that Horse + Bamboo has seen significant increases to engagement and participation numbers brought about by new practitioner capacity and new reach into Haslingden area of Rossendale, but also demonstrates a new model of partnership working that is beneficial both financially and to the vision of the company.

Christmas in the Valley

Christmas in the Valley – immersive Christmas production that ran for ten days at our Waterfoot venue before being 'toured' to Bacup Market using empty market stalls. This presents an exciting opportunity to be explored sparking from our Bacup Cultural Consortium work in the potential for 'touring' our immersive Christmas offering to otherwise empty and non-traditional theatre spaces.

**"LITTLE WORLD" LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2023**

FINANCIAL REVIEW

Overview

We report a deficit in the year of £25,707 on unrestricted funds (21/22 surplus of £98,366), which reflects investment agreed by the trustees into business development and branding, cost of living uplifts in staffing and over delivery of Making a Change project to balance out under delivery in 2021/22.

Inflation and Cost of Living Crisis

In a post-covid business landscape we have had to review our costs base dramatically and we do not expect this uncertain financial scenario to improve in the near future. Our capital programme has over run as we have not been able to get commitment from works personnel and during this delay our costs base has increased. This is manageable through contingencies and we still expect to deliver all aspects of the capital programme.

Risk management

We have invested some of reserves in this year in much needed aspects of delivery, business development such as rebranding, and staff retention however we expect to return to a break even scenario in 2022/23. We continue to diversify income, increasing bar revenue and hires and expect to gain new income from hire of first floor creative work spaces.

In autumn 2022 we were successful in our application to remain in the Arts Council NPO cohort and are in a good financial position to deliver on this agreement between now and 2026. This is the bedrock of our finances which will lever in further income from other sources, presently Halley Stewart and Bromley Trust and with new potential funders available to us through the development of our Creation Centre.

We have seen a large uplift in turnover in this year due to capital expenditure funded through Arts Council England and through delivery of Cotton Shed as an additional programme. This is likely to remain the same as we deliver the second half of our capital programme in 2023/24 but we are prepared to see a drop in this in 2024/25. We continue to budget for core staffing through reliable income and through ongoing benchmarking are now able to more accurately forecast our earned income through box office, concessions and room hire.

Going Concern

Although the charity continues to face the uncertainties of the cost of living crisis, we believe that in light of the result for the year, the level of free reserves and ongoing financial support, that charity is entitled to prepare its accounts on the going concern basis.

Principal funding sources

Arts Council England
Granada Foundation
Halley Stewart
The Bromley Trust
Lancashire County Council

Reserves

As the Board, we have set a free reserves target (unrestricted funds not invested in fixed assets or otherwise designated) of six months core operating costs (core staffing and premises costs), which equates to c£65k. At the year end the free reserves stood at £63,399 (2022 - £69,106) above the current target level, but with rising energy costs etc we expect that the excess will be eroded in the next two years.

We have reduced the designated funds to below :

- £25k - Building contingency fund (we own outright our large heritage building and small issues such as guttering, roof problems etc can become very costly, very quickly)

Business Development fund has been added to free reserves - we are happy that no major new business development investments are needed in the coming years outside of what is budgeted yearly.

Covid Protection fund has been added to free reserves – we now consider covid-19 to be one of many risks in these unprecedented times.

**"LITTLE WORLD" LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2023**

FUTURE PLANS

To support its vision, mission and values, Horse + Bamboo will promote six specific aims during the Business Plan 2018 - 2023. The principal aims are:

1. Develop Horse + Bamboo's Public Programme
2. The creation of work in-house
3. Support the professional development of artists and emerging talent
4. Deliver a programme of participatory and outreach work
5. Support the development of Children and Young People
6. Support the further development of a robust, sustainable and resilient organisation

These individual aims are supported by a set of 8 objectives which have been reviewed in March 2022 to reflect our present situation and future plans.

1. Increase the diversity and capacity of our professional programming, workshops and participatory projects through Horse + Bamboo's Waterfoot venue and Waterfoot Wakes festival to achieve maximum targeted audience development.
2. Continue small-scale investments into the building including the café/ bar and workshop ensuring the audience and artist experience is equally valued and facilitated.
3. Production, co-production and co-creation of artistic work.
4. An Associate Artists programme will be created to ensure we can facilitate artists to develop work from conception to final outcome.
5. Development of Horse + Bamboo archive both physical and online.
6. Delivery of Outreach programmes, specifically Baby Boo and Making A Change.
7. Development of detailed schools offer, including SEN schools, delivery of Arts Award and digital work.
8. Ongoing transformational business planning and management.

The SMART details of these objectives are outlined in our Business Plan. We welcome Arts Council England's new strategy Let's Create and we will frame our work around their new Investment Principles; Ambition & Quality, Dynamism, Environmental Responsibility and Inclusion & Relevance. These new principles sit comfortably with our reviewed objectives and the Vision and Mission of our company

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee governed by its memorandum and articles of association dated May 21 1983, as amended by special resolution(s) dated 17/07/13 and 23/10/13. It is a registered charity with the Charity Commission.

Appointment of trustees

The Directors who served during the year together with any changes are listed on page one of the annual report.

The Board of Directors is known as the Committee of Management. The Directors are appointed by the members in General Meeting. The Committee of Management may appoint directors to fill casual vacancies, but those so appointed hold office until the next Annual General Meeting.

In line with new Racial Equality and Disability policies, the Company is actively seeking to recruit further Trustees.

Trustee induction and training

A proper induction and training programme is vital, as part of the process of ensuring that Trustees can become valuable and effective members of the H + B board as quickly as possible. H + B follows the Charity Commission Guidance, by providing an induction programme that is suitable for the new Trustee and the size and nature of the H + B organisation as follows:

- introductions to senior management and staff.
- providing them with relevant information on H + B, for example business plans, annual accounts, the core governing document.
- visits to see performances and meet with performers.
- meetings with existing Trustees and other board members.
- an assessment of any training required by the new trustee.
- introductions to our professional advisers

All new Trustees joining H + B are required to attend relevant training courses. The induction process marks the beginning of an on-going process of Trustee training and development, to ensure that Trustees can continue to make an effective contribution to H + B. Trustees also sign up to the Roles and Responsibilities document which sets out the relationship between the Board and the Company and how this relationship is fulfilled.

Organisation

The Board is responsible for the overall strategy, management and direction of the charity and meets as required, usually four times per year. It delegates day to day management of the charity to the senior staff team, who comprise a mixture of employed staff and freelance artistic personnel.

**"LITTLE WORLD" LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2023**

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees (who are also directors of "Little World" 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the 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 (FRS 102) (second edition – October 2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate 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.

SMALL COMPANY PROVISIONS AND APPROVAL

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

Approved by the Board of Trustees and signed on its behalf by:



Alex McDonald (Dec 14, 2023 09:31 GMT)
Alex McDonald – Director

Alex McDonald

Dec 14, 2023
Date:

**INDEPENDENT EXAMINERS REPORT
TO THE TRUSTEES OF THE "LITTLE WORLD" LIMITED
FOR THE YEAR ENDED MARCH 31 2023**

I report to the charity trustees on my examination of the accounts of the company for the year ended March 31 2023 which are set out on pages 10 to 21.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent examiner's statement

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

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

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

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



Stacy Mason

For and on behalf of:
HGA Accountants and Financial Consultants Ltd
Chittenden Horley - Chartered Accountants

Hyde Park House
Cartwright Street
Hyde, SK14 4EH

Date:

26/12/2023



"LITTLE WORLD" LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)
FOR THE YEAR ENDED MARCH 31 2023

		Unrestricted			Total	Total
	Notes	General	Designated	Restricted	2023	2022
		Funds	Funds	Funds		
		£	£	£	£	£
INCOMING RESOURCES						
Donations	2	126,746	-	129,904	256,650	135,086
Charitable activities	3	51,642	-	48,627	100,269	85,668
Other trading activities	4	5,468	-	-	5,468	4,805
Bank & other interest received		547	-	-	547	19
TOTAL INCOME		184,403	-	178,531	362,934	225,578
RESOURCES EXPENDED						
Raising funds	5	4,822	-	-	4,822	7,545
Charitable activities	6	205,388	17,436	71,173	293,997	214,748
TOTAL EXPENDITURE		210,210	17,436	71,173	298,819	222,293
NET INCOMING/(EXPENDITURE)		(25,807)	(17,436)	107,358	64,115	3,285
TRANSFERS	13	-	77,466	(77,466)	-	-
NET INCOME/(EXPENDITURE)	13	(25,807)	60,030	29,892	64,115	3,285
FUND BALANCES BROUGHT FORWARD	13	69,106	391,442	30,603	491,151	487,866
FUND BALANCES CARRIED FORWARD	13	43,299	451,472	60,495	555,266	491,151

The Company had no recognised gains or losses other than those shown above.

The notes on pages 9 to 15 form part of these financial statements.

The notes on pages 13 to 21 form part of these financial statements.

"LITTLE WORLD" LIMITED
BALANCE SHEET
AS AT MARCH 31 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible Assets	9		406,372		346,442
CURRENT ASSETS					
Stock	10	2,482		563	
Debtors	11	18,570		5,151	
Cash at Bank and in Hand		<u>153,485</u>		<u>150,384</u>	
		174,537		156,098	
CREDITORS					
Amounts falling due in one year	12	<u>25,643</u>		<u>11,389</u>	
NET CURRENT ASSETS			<u>148,894</u>		<u>144,709</u>
NET ASSETS			<u>555,266</u>		<u>491,151</u>
FUNDS					
Unrestricted	13				
General fund		43,299		69,106	
Designated funds		<u>451,472</u>		<u>391,442</u>	
			494,771		460,548
Restricted	13		<u>60,495</u>		<u>30,603</u>
TOTAL FUNDS			<u>555,266</u>		<u>491,151</u>

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

For the year ending March 31 2023, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and no notice has been deposited under section 476 requiring the company to obtain an audit of its accounts for the year in question.

Directors' responsibilities

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

The notes on pages 13 to 21 form part of these financial statements.

Approved by the Board and authorised for issue on:

And signed on their behalf by:

Alex McDonald

Alex McDonald – Director

Company registration number 1731859

"LITTLE WORLD" LIMITED
STATEMENT OF CASH FLOWS
AS AT MARCH 31 2023

		2023	2022
	notes	£	£
Cash used in operating activities	18	80,020	13,658
Cashflows from investing activities			
Interest and dividends		547	19
Purchase of tangible fixed assets		(77,466)	(583)
Cash provided by/(used in) investing activities		(76,919)	(564)
Cashflows from financing activities		-	-
Cash used in financing activities		-	-
Increase/(decrease) in cash & cash equivalents in the year		3,101	13,094
Cash and cash equivalents brought forward		150,384	137,290
Cash and cash equivalents carried forward		153,485	150,384
Cash and cash equivalents consist of:			
Cash at bank and in hand		153,485	150,384
		153,485	150,384

The notes on pages 13 to 21 form part of these financial statements.

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared: under the historic cost convention; in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective January 1 2019 (second edition – October 2019); FRS102; and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS102.

The accounts are prepared in £ sterling, the functional currency of the charity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following applies to particular types of income:

Grants, whether of a capital or revenue nature, are recognised when the charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

Donations from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

Earned income is measured at the fair value of the consideration received or receivable for services and goods supplied, net of discounts and VAT.

Deferred income

Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds including those associated with fundraising activities, managing investments and commercial trading by the subsidiary company.

Charitable activities costs of undertaking the work of the charity.

The charity is registered for VAT and is able to recover some of the input tax charged as it relates to VATable supplies. Costs are stated net of VAT were charged and irrecoverable VAT is included as a separate charge either within direct costs or support costs as appropriate.

Allocation of support costs

Support costs are those functions which assist the work of the charity either by supporting the delivery of charitable activities or by supporting the generation of funds.

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

1 ACCOUNTING POLICIES (continued)

Pension contributions

The charity operates work place pension scheme (a defined contribution pension scheme) for its employees, and pays the minimum contributions in order to meet its legal obligations. Contributions are charged to the SoFA as they become payable

Tangible fixed assets and depreciation

Individual fixed assets costing more than £500 are capitalised at cost and are depreciated over their estimated useful lives on a straight-line basis as set out below.

Depreciation rates are as follows:

Freehold building – structure	2% straight line
Freehold building - lift & services	5% straight line
Motor vehicles	25% straight line
Fixtures, fittings & equipment	10%, 20% and 33 1/3% straight line

Debtors

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

Financial instruments

The charity has only basic financial instruments which are initially recorded at cost, and with the exception of investments (as set out above) subsequently measured at their settlement value.

"LITTLE WORLD" LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
2 DONATIONS						
Core grants:						
Arts Council England	125,907	-	125,907	125,907	-	125,907
HMRC - CJRS grant	-	-	-	7,499	-	7,499
Oak Foundation	-	-	-	-	-	-
Granada Foundation	-	-	-	-	-	-
Donations	839	-	839	1,680	-	1,680
	<u>126,746</u>	<u>-</u>	<u>126,746</u>	<u>135,086</u>	<u>-</u>	<u>135,086</u>
Capital Grants						
Arts Council England	-	129,904	129,904	-	-	-
	<u>-</u>	<u>129,904</u>	<u>256,650</u>	<u>-</u>	<u>-</u>	<u>-</u>
3 INCOME FROM CHARITABLE ACTIVITIES						
Project grants:						
Rossendale Borough Council	-	26,952	26,952	-	25,000	25,000
Z Arts	-	-	-	-	-	-
The Bromley Trust	-	7,000	7,000	-	14,000	14,000
Sir Halley Stewart Trust	-	8,450	8,450	-	16,900	16,900
Capital development fund	-	5,000	5,000	-	4,975	4,975
	<u>-</u>	<u>48,627</u>	<u>48,627</u>	<u>-</u>	<u>60,875</u>	<u>60,875</u>
Fees: performance & workshops	41,491	-	41,491	15,962	-	15,962
Related trading	10,151	-	10,151	8,831	-	8,831
	<u>51,642</u>	<u>48,627</u>	<u>100,269</u>	<u>24,793</u>	<u>60,875</u>	<u>85,668</u>
4 INCOME FROM OTHER TRADING ACTIVITIES						
Room hire	5,468	-	5,468	4,805	-	4,805
	<u>5,468</u>	<u>-</u>	<u>5,468</u>	<u>4,805</u>	<u>-</u>	<u>4,805</u>
5 COST OF RAISING FUNDS						
Staff costs	3,272	-	3,272	4,195	-	4,195
Direct costs	1,350	-	1,350	3,150	-	3,150
Office costs	200	-	200	200	-	200
	<u>4,822</u>	<u>-</u>	<u>4,822</u>	<u>7,545</u>	<u>-</u>	<u>7,545</u>

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

6 ANALYSIS OF CHARITABLE EXPENDITURE

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
As analysed below	<u>222,824</u>	<u>71,173</u>	<u>293,997</u>	<u>147,316</u>	<u>67,432</u>	<u>214,748</u>

	2023			2022		
	Theatre & Workshops	Related Trading	Total	Theatre & Workshops	Related Trading	Total
	£	£	£	£	£	£
Direct costs:						
Staff costs	107,656	7,457	115,113	93,109	2,745	95,854
Artists & freelance staff fees	25,516	-	25,516	17,312	-	17,312
Production/workshop costs	50,834	-	50,834	26,684	-	26,684
Travel & accommodation	2,638	-	2,638	529	-	529
Theatre & premises costs	15,169	-	15,169	16,916	-	16,916
Marketing & publicity costs	15,777	-	15,777	9,657	-	9,657
Café costs	-	9,970	9,970	-	8,853	8,853
Depreciation	17,536	-	17,536	10,755	-	10,755
Support costs:						
Staff costs	13,087	-	13,087	16,781	-	16,781
Staff training & related costs	4,437	-	4,437	546	-	546
Office costs	17,827	-	17,827	7,786	-	7,786
Governance costs:						
Staff costs	-	-	-	-	-	-
Audit, accountancy & legal	6,093	-	6,093	3,075	-	3,075
	<u>276,570</u>	<u>17,427</u>	<u>293,997</u>	<u>203,150</u>	<u>11,598</u>	<u>214,748</u>

7 STAFF COSTS

	2023	2022
	£	£
a Employees		
Salaries	128,197	113,555
Employers pension contributions	1,629	1,629
Social security costs	1,646	1,646
	<u>131,472</u>	<u>116,830</u>

No employee earned more than £60,000 in either year.

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

7 STAFF COSTS (continued)

b Key management personnel

The key management of the charity comprise the trustees and senior staff (as set out on page1) comprising employed and self employed people. The trustees do not receive any remuneration for their services

The total employee benefits of other key management were as follows:

	£	£
Total employment benefits	<u>17,038</u>	<u>17,038</u>

c Average staff numbers

The average number of employees was:

2023	2022
Number	Number
<u>9</u>	<u>9</u>

The average number of FTE employees was:

Direct charitable	3	3
Fundraising and publicity	0.4	0.4
Governance	0.1	0.1
	<u>3.5</u>	<u>3.5</u>

No employee earned more than £60,000 per annum

8 NET INCOMING RESOURCES BEFORE TRANSFERS

This is stated after charging/(crediting):

	£	£
Independent examination and accountancy	1,340	1,770
Depreciation of other fixed assets	17,536	10,755
Operating lease payments	780	780
Directors' remuneration & trustees expenses	<u>-</u>	<u>-</u>

9 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Fixtures Fittings & Equipment	Vehicles	Total
Cost	£	£	£	£
As at April 1 2022	590,821	128,458	-	719,279
Additions	-	77,466	-	77,466
As at March 31 2023	<u>590,821</u>	<u>205,924</u>	<u>-</u>	<u>796,745</u>
Depreciation				
As at April 1 2022	246,983	125,854	-	372,837
Charge for the year	9,790	7,746	-	17,536
As at March 31 2023	<u>256,773</u>	<u>133,600</u>	<u>-</u>	<u>390,373</u>
Net Book Value				
As at March 31 2023	<u>334,048</u>	<u>72,324</u>	<u>-</u>	<u>406,372</u>
As at March 31 2022	<u>343,838</u>	<u>2,604</u>	<u>-</u>	<u>346,442</u>

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

	2023	2022
	£	£
10 STOCKS		
Stock of goods for resale	<u>2,482</u>	<u>563</u>
11 DEBTORS		
Trade debtors	8,798	702
VAT refund	5,409	-
Prepayments	<u>4,363</u>	<u>4,449</u>
	<u>18,570</u>	<u>5,151</u>
12 CREDITORS falling due within one year		
Trade creditors	18,496	5,509
Other taxation and social security	4,460	1,827
Accruals	<u>2,687</u>	<u>4,053</u>
	<u>25,643</u>	<u>11,389</u>

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023
13 STATEMENT OF FUNDS

	2021/22				31/03/2022	2022/23				
	01/04/2021	Income	Expenditure	Transfers	01/04/2022	Income	Expenditure	Transfers	31/03/2023	
Unrestricted funds:										
General fund	167,472	164,703	(150,611)	(112,458)	69,106	184,403	(210,210)	-	43,299	
<i>Designated funds:</i>										
Covid Protection Fund	-	-	-	10,000	10,000	-	-		10,000	
Business Development Fund	-	-	-	10,000	10,000	-	-		10,000	
Building Contingency fund	-	-	-	25,000	25,000	-	-		25,000	
Invested in fixed assets	-	-	-	346,442	346,442	-	(17,436)	77,466	406,472	
Designated fund - building development	192,284	-	(4,250)	(188,034)	-	-			-	
	192,284	-	(4,250)	203,408	391,442	-	(17,436)	77,466	451,472	
Total unrestricted funds	359,756	164,703	(154,861)	90,950	460,548	184,403	(227,646)	77,466	494,771	
Restricted Funds:										
Revenue fund:										
Rossendale Borough Council	2,000	-	(2,000)	-	-	26,952	(26,952)	-	-	
RBC - Heritage Action Zone	-	25,000	(21,943)	-	3,057	-			3,057	
Capital Development fund	-	-	-	-	-	5000	-	-	5,000	
The Bromley Trust	14,000	14,000	(14,000)	-	14,000	7,000	(21,000)	-	-	
Sir Halley Stewart Trust	12,758	16,900	(16,112)	-	13,546	8,450	(21,996)	-	-	
Lancashire County Council	4,975	4,975	(9,950)	-	-	-		-	-	
Other grants	-	-	-	-	-	1,225	(1,225)	-	-	
Capital grants:										
Capital Grants Expended	94,377	-	(3,427)	(90,950)	-	129,904	-	(77,466)	52,438	
Total restricted funds	128,110	60,875	(67,432)	(90,950)	30,603	178,531	(71,173)	(77,466)	60,495	
Total funds	487,866	225,578	(222,293)	-	491,151	362,934	(298,819)	-	555,266	

"LITTLE WORLD" LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds			Total £
	General Funds £	Designated Funds	Restricted Funds £	
Fund balances at March 31 2023 are represented by:-				
Tangible fixed assets	(52,538)	406,472	52,438	406,372
Net assets	<u>95,837</u>	<u>45,000</u>	<u>8,057</u>	148,894
	<u>43,299</u>	<u>451,472</u>	<u>60,495</u>	555,266
Fund balances at March 31 2023 are represented by:-				
Tangible fixed assets	346,442	-	-	346,442
Net assets	<u>114,106</u>	<u>-</u>	<u>30,603</u>	144,709
	<u>460,548</u>	<u>-</u>	<u>30,603</u>	491,151

15 CONSTITUTION

The Company is limited by guarantee and does not have a share capital. In the event of the Company the being wound up members are committed to contributing £1 each.

There were 10 members at the year end (2022 - 10).

16 TAXATION

The Company is a registered charity and is entitled to claim annual exemption from UK corporation tax under sections 466 to 493 of the CTA 2010.

17 COMMITMENTS

The company had no capital commitments at the year end.

The company had the following minimum commitments under non cancellable operating lease :

	2023 £	2022 £
Amounts due;		
Within one year	390	390
Between two to five years	<u>-</u>	<u>-</u>

18 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/(expenditure)	64,115	3,285
Add back depreciation	17,536	10,755
Deduct interest income shown in investing activities	(547)	(19)
Deduct profit/add back losses on disposals of FA	-	-
Decrease/(increase) in stocks	(1,919)	-
Decrease/(increase) in debtors	(13,419)	(2,232)
Increase/(decrease) in creditors	<u>14,254</u>	<u>1,869</u>
Net cash generated from/(used in) operating activities	<u>80,020</u>	<u>13,658</u>

The Charity had no net debt at the year end (2022 - none).

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

19 RELATED PARTY TRANSACTIONS

There are no other related party transaction is this or the previous year.

20 CONTINGENT LIABILITIES - CAPITAL GRANTS

The Arts Council of England lottery award of £149,000, received in previous years, is repayable in the event of the company being wound up. The building asset created by this grant cannot be disposed of without the prior written agreement of the grantor.

These liabilities are not expected to crystallise and therefore the grants have been taken to a restricted reserve and are released to the general fund in line with the depreciation policy.

The capital grants expended includes £123,570 of ERDF funding for the Horse and Bamboo Theatre project awarded in 1996. If the building is used for purposes outside of those in the grant application within 20 years of the grant award then the grant may become repayable.

Further capital grants have been received in the 16/17 and 17/18, in respect of the building development project and an initial transfer was made last year to capital grants expended in respect of the expenditure in that year. The terms of these grants has now been reviewed and on completion of the project as there were no continuing restrictions they have all been transferred to unrestricted funds.

21 CONTROLLING PARTY

The charity has no controlling party. The members, who appoint the trustees, are independent of each other and no individual has a significant proportion of the voting rights.