

**Company Registration Number: 4646007**  
**Charity Registration Number: 1100920**

**Highlights Productions**  
**Financial Statements**  
**For the Year Ending**  
**31 March 2023**

**JANE ASCROFT ACCOUNTANCY LIMITED**

Chartered accountants  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XT

# Highlights Productions

## Financial Statements

Year Ended 31 March 2023

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# Highlights Productions

## Trustees' Annual Report (Incorporating the Director's Report)

Year Ended 31 March 2023

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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

### Objectives

The object of the charity is to advance the education of the public in the practice and appreciation of the arts, especially in the counties of Durham, Northumberland and Cumbria, through the provision of a rural arts service. The company aims to meet its objectives by presenting and promoting a programme of drama, dance, literature, music, storytelling and visual arts. It achieves these aims through:- continuing support of volunteer promoters to enable them to provide a professional service in providing a programme of high quality events in their venues; - continuing choice of a wide range of performances to the highest quality - securing the necessary funds to put these objectives in place and ensure the sustainability of the programme.

### Review of the Development, Activities and Achievements of the Charity

The financial year of 2022/23 has been the first 'normal' post-pandemic year, but we have seen some ongoing impact to audience numbers as well as the uncertainty due to the cost-of-living crisis. The organisation has worked hard to deliver work across the region, working with venues to celebrate the local and affordable nature of arts events on the doorstep.

2022/23 was the fifth year of the National Portfolio 4 year agreement with the Arts Council of England (ACE). (NB. In the light of the Covid-19 pandemic, ACE announced that the 4-year NPO agreement would be extended until April 2023). The NPO agreement is awarded to Highlights (H) and Arts Out West (AOW) consortium, with H as the lead partner. In November 2022 ACE awarded H and AOW funding for 2023-2026. To ensure continued audience development, schools and libraries work, ACE invested a further £50k uplift per annum in the consortium during 2023/2026.

Local authority funding from Cumbria, County Durham, Northumberland and South Lakeland remained at a standstill amount. We were awarded a one-off funding grant of £25,000 from Eden District Council.

During the course of the year we recruited a new Communications Officer, General Manager and Rural Touring Dance Initiative Coordinator (North).

Highlights continues to work in partnership with over 60 village halls, community centres, libraries and schools across Cumbria, County Durham and Northumberland. Performance seasons returned to normal, mirroring our work pre-pandemic.

The Highlights Participate programme has worked in primary schools across Cumbria, County Durham and Northumberland, delivering workshops from regional and national artists. We have received funding from Eden District Council, Sir James Knott Trust and Cumbria Community Foundation to deliver workshops by artists with under-represented protected characteristics.

In Spring 23, Highlights programmed more Creative Highlights events - a series of arts and crafts workshops delivered by regional artists in village halls and community spaces. These were well-received by promoters and participants alike and will be repeated in Autumn 2023 thanks to the ACE uplift in funding.

# Highlights Productions

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2023

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## Achievements

- We successfully programmed 149 performances during 2022 - 2023 plus 6 performances for Northumberland libraries, above anticipated numbers.
- We programmed 8 Creative Highlights workshops, working with regional artists.
- We continued to build our Participate programme, increasing the number of and income received from participating schools and the range of artists and work on offer, delivering over 40 workshops.
- Highlights became a lead partner in the Rural Touring Dance Initiative. We join The Place, NRTF, Take Art and Sonia Sabri Company in leading the next round of this national programme, funded by Esme Fairbairn and Arts Council England.
- Continue our Artist Development work alongside regional partners such as northern alliance of Rural Schemes, North East Exchange and Venues North as well as international partners Contact East Canada and Music PEI (Prince Edward Island).
- Work alongside partners in Cumbria to develop and steer the Volunteering Futures funded project, Helping Hands.
- Highlights were accepted onto Going Green Together, an environmental management system.

## Financial Review

### **Finances**

The organisation made an overall surplus of £37,134 (2022 - £6,545). This was made up of a surplus of £7,484 on unrestricted funds and £29,650 on restricted funds. When the overall surplus is added to the funds brought forward of £158,359 it gives closing funds of £195,493 of which £43,837 are for restricted funds. This leaves general reserves of £151,656 as at 31 March 2023. Of that, £4,717 relates to fixed assets and £39,900 has been earmarked for a number of projects and so unrestricted free reserves at the end of the year were £107,039.

### **Reserves Policy**

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which provides sufficient funds to cover management, administration and support costs for six months. At the 31 March 2023 unrestricted reserves were above this minimum level.

### **Investment Policy**

The Memorandum and Articles of Association of the Charity permit wide powers of investment. The Trustees should invest the money of the charity not immediately required for its purposes, in or upon such investments, securities or properties as may be thought fit.

### **Risk Assessment**

The Trustees regularly review the risks to which the charity is exposed and consider the implications of those risks. The Trustees consider the COVID-19 pandemic and associated future funding implications as a significant risk. They are keeping this risk under continuous review.

# Highlights Productions

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2023

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## Plans for Future Periods

- Put in place a comprehensive induction programme for new trustees.
- Develop a Trustee's Handbook
- Working with our newly appointed accountant, organise a finance workshop for trustees
- Increasing the number of venues we work with - community spaces, libraries and schools.
- Increasing the number of performances, Creative Highlights workshops and Participate workshops that we programme.
- Working closely with other lead partners, steer the Rural Touring Dance Initiative programme.
- Resume programming international work, thanks to renewed relationships with international partners.
- Champion work with regional artists.
- Seeking accreditation to the IIE (Investment in the Environment) as part of the Going Green Together programme.
- Develop an induction and training programme for new volunteer promoters and venues.

# Highlights Productions

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2023

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## **Structure, Governance and Management**

### **Governing Document**

Highlights Productions is a company limited by guarantee and registered charity. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association.

### **Management Structure**

Highlights Productions is governed by a Board of Trustees who are both Trustees under charity legislation and Directors under company legislation. At each Annual General Meeting (AGM) one third of the Trustees must retire from office and may be re-elected at that same meeting. The members to retire shall be those longest in office since their last election. Between AGM's the Trustees may co-opt persons onto the Board to fill any vacancies. All co-opted members must stand down at the AGM following their co-option and are similarly eligible for re-election. All new trustees are subject to an open and robust selection process and undergo an induction process once co-opted/elected.

Day to day management of the company is delegated to the Director (Chief Executive Officer), line-managing staff, and developing strategies and policies in consultation with, and subject to the approval of, the Board.

### **Governance**

The Board of Trustees continued to meet regularly, both in person and online.

The Board of Trustees started the year with ten members and ended the year with five. We were sorry to say goodbye to Chair, John Holland and Vice-Chair Susan Coffey. Following an open recruitment drive, Cinzia Hardy was appointed Chair in Autumn 2022.

The Board reviewed several policies throughout the year and approved the Arts Council England NPO submission. A comprehensive skills audit of trustees was undertaken in early 2023 in advance of a recruitment drive for new members.

# Highlights Productions

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2023

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## Reference and Administrative Details

Registered charity name Highlights Productions

Charity registration number 1100920

Company registration number 4646007

Principal office and registered office  
Mostyn Hall  
Friargate  
Penrith  
Cumbria  
CA11 7XR

## The Trustees

Ms S Coffer (Resigned 30 December 2022)

Ms C Hardy

Mr J Holland

(Resigned 1 September 2022)

Ms M Ingham

Mr T G Keys

Ms E Lugg

Mr K Rahnama

Mr O J Tallis

(Resigned 30 December 2022)

Ms J A Campbell

Ms M Parker

(Resigned 30 December 2022)

## Company Secretary

Ms K Lynch

## Independent Examiner

Jane Ascroft FCA MA (Cantab)  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XT

## Small Company Provisions

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

The trustees' annual report was approved on 4/10/23 and signed on behalf of the board of trustees by:



Ms K Lynch  
Charity Secretary

# Highlights Productions

## Independent Examiner's Report to the Trustees of Highlights Productions

Year Ended 31 March 2023

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I report to the trustees on my examination of the financial statements of Highlights Productions ('the charity') for the year ended 31 March 2023.

### Responsibilities and Basis of Report

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

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity'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 charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and 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.

Jane Ascroft FCA MA (Cantab)  
Independent Examiner

Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XT



## Highlights Productions

### Statement of Financial Activities (including income and expenditure account)

Year Ended 31 March 2023

|                                      |     | Unrestricted<br>funds<br>£ | 2023<br>Restricted<br>funds<br>£ | Total funds<br>£ | 2022<br>Total funds<br>£ |
|--------------------------------------|-----|----------------------------|----------------------------------|------------------|--------------------------|
| <b>Income and endowments</b>         |     |                            |                                  |                  |                          |
| Donations and legacies               | 5   | 153,033                    | 79,454                           | 232,487          | 219,241                  |
| Charitable activities                | 6   | 62,479                     | 4,230                            | 66,709           | 48,853                   |
| Investment income                    | 7   | 671                        | –                                | 671              | 109                      |
| <b>Total income</b>                  |     | <u>216,183</u>             | <u>83,684</u>                    | <u>299,867</u>   | <u>268,203</u>           |
| <b>Expenditure</b>                   |     |                            |                                  |                  |                          |
| Expenditure on charitable activities | 8,9 | 208,999                    | 53,734                           | 262,733          | 261,658                  |
| <b>Total expenditure</b>             |     | <u>208,999</u>             | <u>53,734</u>                    | <u>262,733</u>   | <u>261,658</u>           |
| <b>Net income</b>                    |     | <u>7,184</u>               | <u>29,950</u>                    | <u>37,134</u>    | <u>6,545</u>             |
| Transfers between funds              |     | 300                        | (300)                            | –                | –                        |
| <b>Net movement in funds</b>         |     | <u>7,484</u>               | <u>29,650</u>                    | <u>37,134</u>    | <u>6,545</u>             |
| <b>Reconciliation of funds</b>       |     |                            |                                  |                  |                          |
| Total funds brought forward          |     | 144,172                    | 14,187                           | 158,359          | 151,814                  |
| <b>Total funds carried forward</b>   |     | <u>151,656</u>             | <u>43,837</u>                    | <u>195,493</u>   | <u>158,359</u>           |

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

The notes on pages 9 to 19 form part of these financial statements.

## Highlights Productions

### Statement of Financial Position

31 March 2023

|   | Note | 2023<br>£      | 2022<br>£      |
|---|------|----------------|----------------|
| <b>Fixed Assets</b>                                   |      |                |                |
| Tangible fixed assets                                 | 15   | 4,717          | 5,770          |
| <b>Current Assets</b>                                 |      |                |                |
| Debtors   | 16   | 4,741          | 6,280          |
| Cash at bank and in hand                              |      | <u>195,082</u> | <u>153,391</u> |
|   |      | 199,823        | 159,671        |
| <b>Creditors: amounts falling due within one year</b> | 17   | <u>9,047</u>   | <u>7,082</u>   |
| <b>Net Current Assets</b>                             |      | <u>190,776</u> | <u>152,589</u> |
| <b>Total Assets Less Current Liabilities</b>          |      | <u>195,493</u> | <u>158,359</u> |
| <b>Net Assets</b>                                     |      | <u>195,493</u> | <u>158,359</u> |
| <b>Funds of the Charity</b>                           |      |                |                |
| Restricted funds                                      |      | 29,750         | 14,187         |
| Unrestricted funds                                    |      | <u>165,743</u> | <u>144,172</u> |
| <b>Total charity funds</b>                            | 19   | <u>195,493</u> | <u>158,359</u> |

For the year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

#### Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 4 Oct 2023 and are signed on behalf of the board by:

Ms C Hardy  
Trustee



The notes on pages 8 to 18 form part of these financial statements.

# Highlights Productions

## Notes to the Financial Statements

Year Ended 31 March 2023

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### 1. General Information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Mostyn Hall, Friargate, Penrith, Cumbria, CA11 7XR.

### 2. Statement of Compliance

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

### 3. Accounting Policies

#### Basis of Preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going Concern

There are no material uncertainties about the charity's ability to continue.

#### 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. The trustees consider that there are no significant estimates or judgements affecting these financial statements.

#### Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Highlights Productions

## Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

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### 3. Accounting Policies *(continued)*

#### Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

Investment income is included when receivable.

Income from charitable trading activity is accounted for when earned.

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

#### Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

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.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

#### Tangible Assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

# Highlights Productions

## Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

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### 3. Accounting Policies *(continued)*

#### Tangible Assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                       |   |                               |
|-----------------------|---|-------------------------------|
| Fixtures and fittings | - | 25% reducing balance          |
| Equipment             | - | Over 3 years reducing balance |

#### Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

#### Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

# Highlights Productions

## Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

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### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

### Cash at Bank and in Hand

Cash at bank and cash 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

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

### Taxation

The company 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 company 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.

## 4. Limited by Guarantee

The liability of the members is limited. Every member of the charity undertakes to contribute to the assets of the charity in the event of the organisation being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the charity contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, but not exceeding £1.

## 5. Donations and Legacies

|                            | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|----------------------------|----------------------------|--------------------------|--------------------------|
| <b>Donations</b>           |                            |                          |                          |
| Donations                  | 1,323                      | –                        | 1,323                    |
| Gift aid                   | 126                        | –                        | 126                      |
| Promoters' membership fees | 3,920                      | –                        | 3,920                    |
| Reimbursed expenses        | 1,276                      | 400                      | 1,676                    |

## Highlights Productions

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

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### 5. Donations and Legacies *(continued)*

|                              | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|------------------------------|----------------------------|--------------------------|--------------------------|
| <b>Grants</b>                |                            |                          |                          |
| ACE NPO Funds                | 87,694                     | –                        | 87,694                   |
| ACE NPO Funds (AOW)          | –                          | 34,310                   | 34,310                   |
| ACE HANDS                    | –                          | 19,749                   | 19,749                   |
| Cumbria County Council       | 10,000                     | –                        | 10,000                   |
| Durham County Council        | 9,373                      | –                        | 9,373                    |
| Northumberland CC            | 9,721                      | –                        | 9,721                    |
| South Lakeland DC            | 5,100                      | –                        | 5,100                    |
| Eden District Council        | 18,500                     | 6,500                    | 25,000                   |
| Cumbria Community Foundation | –                          | 3,000                    | 3,000                    |
| Sir James Knott Foundation   | –                          | 6,160                    | 6,160                    |
| The Place                    | 6,000                      | 9,335                    | 15,335                   |
|                              | <u>153,033</u>             | <u>79,454</u>            | <u>232,487</u>           |
|                              |                            |                          |                          |
|                              | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
| <b>Donations</b>             |                            |                          |                          |
| Donations                    | 1,869                      | –                        | 1,869                    |
| Gift aid                     | 217                        | –                        | 217                      |
| Promoters' membership fees   | 3,250                      | –                        | 3,250                    |
| Reimbursed expenses          | 886                        | –                        | 886                      |

# Highlights Productions

## Notes to the Financial Statements (continued)

Year Ended 31 March 2023

### 5. Donations and Legacies (continued)

|                        | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|------------------------|----------------------------|--------------------------|--------------------------|
| <b>Grants</b>          |                            |                          |                          |
| ACE NPO Funds          | 73,198                     | 14,496                   | 87,694                   |
| ACE NPO Funds (AOW)    | –                          | 34,310                   | 34,310                   |
| ACE CRF Grant          | 21,837                     | 6,896                    | 28,733                   |
| ACE HANDS              | –                          | 24,687                   | 24,687                   |
| Blaize Theatre Co      | –                          | 600                      | 600                      |
| Cumbria County Council | 9,000                      | 1,000                    | 10,000                   |
| Cheshire Rural Arts    | –                          | 600                      | 600                      |
| Durham County Council  | 8,374                      | 1,000                    | 9,374                    |
| NRTF                   | 1,000                      | –                        | 1,000                    |
| Northumberland CC      | 8,721                      | 1,000                    | 9,721                    |
| Rural Arts             | –                          | 600                      | 600                      |
| South Lakeland DC      | 5,100                      | –                        | 5,100                    |
| Spot On                | –                          | 600                      | 600                      |
|                        | <u>133,452</u>             | <u>85,789</u>            | <u>219,241</u>           |

### 6. Charitable Activities

|                 | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|-----------------|----------------------------|--------------------------|--------------------------|
| Workshop income | 85                         | 4,230                    | 4,315                    |
| Ticket sales    | 62,394                     | –                        | 62,394                   |
|                 | <u>62,479</u>              | <u>4,230</u>             | <u>66,709</u>            |

|                 | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|-----------------|----------------------------|--------------------------|--------------------------|
| Workshop income | –                          | 1,700                    | 1,700                    |
| Ticket sales    | 47,153                     | –                        | 47,153                   |
|                 | <u>47,153</u>              | <u>1,700</u>             | <u>48,853</u>            |

### 7. Investment Income

|                          | Unrestricted<br>Funds<br>£ | Total Funds<br>2023<br>£ | Unrestricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|--------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Bank interest receivable | <u>671</u>                 | <u>671</u>               | <u>109</u>                 | <u>109</u>               |



# Highlights Productions

## Notes to the Financial Statements (continued)

Year Ended 31 March 2023

### 8. Expenditure on Charitable Activities by Fund Type

|                             | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|-----------------------------|----------------------------|--------------------------|--------------------------|
| Performance costs           | 95,967                     | 13,410                   | 109,377                  |
| Staff costs                 | 83,738                     | 3,523                    | 87,261                   |
| Administration              | 7,133                      | 2,021                    | 9,154                    |
| Marketing and advertising   | 13,502                     | –                        | 13,502                   |
| Grants payable              | 600                        | 34,310                   | 34,910                   |
| Premises costs              | 5,617                      | 470                      | 6,087                    |
| Depreciation                | 1,572                      | –                        | 1,572                    |
| Legal and professional fees | 870                        | –                        | 870                      |
|                             | <u>208,999</u>             | <u>53,734</u>            | <u>262,733</u>           |

  

|                             | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|-----------------------------|----------------------------|--------------------------|--------------------------|
| Performance costs           | 94,749                     | 20,752                   | 115,501                  |
| Staff costs                 | 67,467                     | 20,999                   | 88,466                   |
| Administration              | 5,297                      | 983                      | 6,280                    |
| Marketing and advertising   | –                          | 8,233                    | 8,233                    |
| Grants payable              | 600                        | 34,310                   | 34,910                   |
| Premises costs              | 5,466                      | –                        | 5,466                    |
| Depreciation                | 1,932                      | –                        | 1,932                    |
| Legal and professional fees | 870                        | –                        | 870                      |
|                             | <u>176,381</u>             | <u>85,277</u>            | <u>261,658</u>           |

### 9. Expenditure on Charitable Activities by Activity Type

|                             | Activities<br>undertaken<br>directly<br>£ | Grant funding<br>of activities<br>£ | Total funds<br>2023<br>£ | Total fund<br>2022<br>£ |
|-----------------------------|---|-------------------------------------|--------------------------|-------------------------|
| Performance costs           | 109,377                                   | –                                   | 109,377                  | 115,501                 |
| Staff costs                 | 87,261                                    | –                                   | 87,261                   | 88,466                  |
| Administration              | 9,154                                     | –                                   | 9,154                    | 6,280                   |
| Marketing and advertising   | 13,502                                    | –                                   | 13,502                   | 8,233                   |
| Grants payable              | –   | 34,910                              | 34,910                   | 34,910                  |
| Premises costs              | 6,087                                     | –                                   | 6,087                    | 5,466                   |
| Depreciation                | 1,572                                     | –                                   | 1,572                    | 1,932                   |
| Legal and professional fees | 870                                       | –                                   | 870                      | 870                     |
|                             | <u>227,823</u>                            | <u>34,910</u>                       | <u>262,733</u>           | <u>261,658</u>          |

# Highlights Productions

## Notes to the Financial Statements (continued)

Year Ended 31 March 2023

### 10. Analysis of Grants

|                               | 2023          | 2022          |
|-------------------------------|---------------|---------------|
|                               | £             | £             |
| <b>Grants to Institutions</b> |               |               |
| Arts Out West                 | 34,310        | 34,310        |
| Heron Theatre                 | 600           | 600           |
|                               | <u>34,910</u> | <u>34,910</u> |
| Total grants                  | <u>34,910</u> | <u>34,910</u> |

### 11. Net Income

Net income is stated after charging/(crediting):

|                                       | 2023         | 2022         |
|---------------------------------------|--------------|--------------|
|                                       | £            | £            |
| Depreciation of tangible fixed assets | <u>1,572</u> | <u>1,932</u> |

### 12. Independent Examination Fees

|  | 2023       | 2022       |
|--|------------|------------|
|  | £          | £          |
| Fees payable to the independent examiner for:<br>Independent examination of the financial statements | <u>870</u> | <u>870</u> |

### 13. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

|   | 2023          | 2022          |
|---|---------------|---------------|
|   | £             | £             |
| Wages and salaries                      | 72,547        | 67,591        |
| Social security costs                   | 326           | —             |
| Employer contributions to pension plans | <u>2,196</u>  | <u>1,645</u>  |
|   | <u>75,069</u> | <u>69,236</u> |

The average head count of employees during the year was 2 (2022: 5). The average number of full-time equivalent employees during the year is analysed as follows:

|                        | 2023     | 2022     |
|------------------------|----------|----------|
|                        | No.      | No.      |
| Direct staff           | 1        | 4        |
| Admin and office staff | <u>1</u> | <u>1</u> |
|                        | <u>2</u> | <u>5</u> |

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

### Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £35,690 (2022:£29,893).

## Highlights Productions

### Notes to the Financial Statements (continued)

Year Ended 31 March 2023

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#### 14. Trustee Remuneration and Expenses

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the year to any trustee or to any person or persons known to be connected with any of them.

Three trustees were reimbursed a total of £432 for travel expenses in the year (2022 - Two trustees reimbursed a total of £268).

#### 15. Tangible Fixed Assets

|                         | Fixtures and fittings<br>£ | Equipment<br>£ | Total<br>£    |
|-------------------------|----------------------------|----------------|---------------|
| <b>Cost</b>             |                            |                |               |
| At 1 April 2022         | 9,288                      | 20,247         | 29,535        |
| Additions               | –                          | 519            | 519           |
| <b>At 31 March 2023</b> | <u>9,288</u>               | <u>20,766</u>  | <u>30,054</u> |
| <b>Depreciation</b>     |                            |                |               |
| At 1 April 2022         | 8,960                      | 14,805         | 23,765        |
| Charge for the year     | 82                         | 1,490          | 1,572         |
| <b>At 31 March 2023</b> | <u>9,042</u>               | <u>16,295</u>  | <u>25,337</u> |
| <b>Carrying amount</b>  |                            |                |               |
| <b>At 31 March 2023</b> | <u>246</u>                 | <u>4,471</u>   | <u>4,717</u>  |
| At 31 March 2022        | <u>328</u>                 | <u>5,442</u>   | <u>5,770</u>  |

#### 16. Debtors

|               | 2023<br>£    | 2022<br>£    |
|---------------|--------------|--------------|
| Trade debtors | <u>4,741</u> | <u>6,280</u> |

#### 17. Creditors: amounts falling due within one year

|                                 | 2023<br>£    | 2022<br>£    |
|---------------------------------|--------------|--------------|
| Trade creditors                 | 2,098        | 3,288        |
| Accruals and deferred income    | 4,884        | 2,470        |
| Social security and other taxes | 2,065        | 1,324        |
|                                 | <u>9,047</u> | <u>7,082</u> |

#### 18. Pensions and Other Post Retirement Benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,196 (2022: £1,645).

# Highlights Productions

## Notes to the Financial Statements (continued)

Year Ended 31 March 2023

### 19. Analysis of Charitable Funds

#### Unrestricted funds

|                                    | At<br>1 April 2022<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>£ | At 31 March<br>2023<br>£ |
|------------------------------------|-------------------------|----------------|------------------|----------------|--------------------------|
| General reserves                   | 138,402                 | 216,183        | (207,427)        | (40,119)       | 107,039                  |
| Fixed asset reserves               | 5,770                   | –              | (1,572)          | 519            | 4,717                    |
| CRM                                | –                       | –              | –                | 3,000          | 3,000                    |
| Fundraising support                | –                       | –              | –                | 1,400          | 1,400                    |
| Potential office move              | –                       | –              | –                | 2,000          | 2,000                    |
| IT development                     | –                       | –              | –                | 1,000          | 1,000                    |
| Creative Eng -<br>Secondary school | –                       | –              | –                | 2,500          | 2,500                    |
| Commissioning pot                  | –                       | –              | –                | 20,000         | 20,000                   |
| Staffing budget                    | –                       | –              | –                | 10,000         | 10,000                   |
|                                    | <u>144,172</u>          | <u>216,183</u> | <u>(208,999)</u> | <u>300</u>     | <u>151,656</u>           |

|                      | At<br>1 April 2021<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>£ | At 31 March<br>2022<br>£ |
|----------------------|-------------------------|----------------|------------------|----------------|--------------------------|
| General reserves     | 100,915                 | 180,714        | (174,449)        | 31,222         | 138,402                  |
| Fixed asset reserves | 7,702                   | –              | (1,932)          | –              | 5,770                    |
|                      | <u>108,617</u>          | <u>180,714</u> | <u>(176,381)</u> | <u>31,222</u>  | <u>144,172</u>           |

# Highlights Productions

## Notes to the Financial Statements (continued)

Year Ended 31 March 2023

### 19. Analysis of Charitable Funds (continued)

#### Restricted funds

|               | At<br>1 April 2022 | Income        | Expenditure     | Transfers    | At 31 March<br>2023 |
|---------------|--------------------|---------------|-----------------|--------------|---------------------|
|               | £                  | £             | £               | £            | £                   |
| HANDS         | 14,187             | 19,749        | (8,373)         | (300)        | 25,263              |
| Arts Out West | –                  | 34,310        | (34,310)        | –            | –                   |
| Participate   | –                  | 20,290        | (7,480)         | –            | 12,810              |
| RTDI          | –                  | 9,335         | (3,571)         | –            | 5,764               |
|               | <u>14,187</u>      | <u>83,684</u> | <u>(53,734)</u> | <u>(300)</u> | <u>43,837</u>       |

|  | At<br>1 April 2021 | Income        | Expenditure     | Transfers       | At 31 March<br>2022 |
|--|--------------------|---------------|-----------------|-----------------|---------------------|
|  | £                  | £             | £               | £               | £                   |
| HANDS  | –                  | 27,087        | (13,350)        | 450             | 14,187              |
| Arts Out West  | –                  | 34,310        | (34,310)        | –               | –                   |
| Participate  | 5,052              | 14,274        | (19,326)        | –               | –                   |
| Catalyst Fundraising<br>Comms and Website<br>Project | 31,672             | –             | –               | (31,672)        | –                   |
|  | <u>6,473</u>       | <u>11,818</u> | <u>(18,291)</u> | <u>–</u>        | <u>–</u>            |
|  | <u>43,197</u>      | <u>87,489</u> | <u>(85,277)</u> | <u>(31,222)</u> | <u>14,187</u>       |

### 20. Analysis of Net Assets Between Funds

|                            | Unrestricted<br>Funds | Restricted<br>Funds | Total Funds<br>2023 |
|----------------------------|-----------------------|---------------------|---------------------|
|                            | £                     | £                   | £                   |
| Tangible fixed assets      | 4,717                 | –                   | 4,717               |
| Current assets             | 155,986               | 43,837              | 199,823             |
| Creditors less than 1 year | (9,047)               | –                   | (9,047)             |
| <b>Net assets</b>          | <u>151,656</u>        | <u>43,837</u>       | <u>195,493</u>      |

  

|                            | Unrestricted<br>Funds | Restricted<br>Funds | Total Funds<br>2022 |
|----------------------------|-----------------------|---------------------|---------------------|
|                            | £                     | £                   | £                   |
| Tangible fixed assets      | 5,770                 | –                   | 5,770               |
| Current assets             | 145,484               | 14,187              | 159,671             |
| Creditors less than 1 year | (7,082)               | –                   | (7,082)             |
| <b>Net assets</b>          | <u>144,172</u>        | <u>14,187</u>       | <u>158,359</u>      |

# Highlights Productions

Management Information

Year Ended 31 March 2023

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**The Following Pages Do Not Form Part of the Financial Statements.**

# Highlights Productions

## Detailed Statement of Financial Activities

Year Ended 31 March 2023

|                               | 2023<br>£      | 2022<br>£      |
|-------------------------------|----------------|----------------|
| <b>Income and endowments</b>  |                |                |
| <b>Donations and legacies</b> |                |                |
| Donations                     | 1,323          | 1,869          |
| Gift aid                      | 126            | 217            |
| Promoters' membership fees    | 3,920          | 3,250          |
| Reimbursed expenses           | 1,676          | 886            |
| ACE NPO Funds                 | 87,694         | 87,694         |
| ACE NPO Funds (AOW)           | 34,310         | 34,310         |
| ACE CRF Grant                 | –              | 28,733         |
| ACE HANDS                     | 19,749         | 24,687         |
| Blaize Theatre Co             | –              | 600            |
| Cumbria County Council        | 10,000         | 10,000         |
| Cheshire Rural Arts           | –              | 600            |
| Durham County Council         | 9,373          | 9,374          |
| NRTF                          | –              | 1,000          |
| Northumberland CC             | 9,721          | 9,721          |
| Rural Arts                    | –              | 600            |
| South Lakeland DC             | 5,100          | 5,100          |
| Spot On                       | –              | 600            |
| Eden District Council         | 25,000         | –              |
| Cumbria Community Foundation  | 3,000          | –              |
| Sir James Knott Foundation    | 6,160          | –              |
| The Place                     | 15,335         | –              |
|                               | <u>232,487</u> | <u>219,241</u> |
| <b>Charitable activities</b>  |                |                |
| Workshop income               | 4,315          | 1,700          |
| Ticket sales                  | <u>62,394</u>  | <u>47,153</u>  |
|                               | <u>66,709</u>  | <u>48,853</u>  |
| <b>Investment income</b>      |                |                |
| Bank interest receivable      | <u>671</u>     | <u>109</u>     |
| <b>Total income</b>           | <u>299,867</u> | <u>268,203</u> |

# Highlights Productions

## Detailed Statement of Financial Activities *(continued)*

Year Ended 31 March 2023

|                                      | 2023<br>£      | 2022<br>£      |
|--------------------------------------|----------------|----------------|
| <b>Expenditure</b>                   |                |                |
| <b>Performance costs</b>             |                |                |
| Accommodation                        | 438            | 4,200          |
| Artists' fees                        | 102,365        | 94,177         |
| Workshop artist fees                 | 6,550          | 15,688         |
| Promotion                            | –              | 284            |
| Promoter training                    | 24             | 1,152          |
|                                      | <u>109,377</u> | <u>115,501</u> |
| <b>Staff costs</b>                   |                |                |
| Wages                                | 72,547         | 67,591         |
| Employer's NIC                       | 326            | –              |
| Pension costs                        | 2,196          | 1,645          |
| Freelance work                       | 7,735          | 14,705         |
| Travel                               | 3,397          | 3,943          |
| Recruitment                          | 626            | 150            |
| Staff training and other staff costs | 434            | 432            |
|                                      | <u>87,261</u>  | <u>88,466</u>  |
| <b>Administration</b>                |                |                |
| Printing and stationery              | (3)            | 251            |
| Refreshments                         | 143            | 654            |
| Postage                              | 118            | 326            |
| Telephone                            | 725            | 494            |
| Computer & website expenses          | 2,959          | 1,346          |
| Photocopying                         | 679            | 922            |
| Subscriptions                        | 1,175          | 1,058          |
| Administration                       | 307            | 221            |
| Research costs                       | 2,374          | 1,008          |
| Office equipment                     | 677            | –              |
|                                      | <u>9,154</u>   | <u>6,280</u>   |
| <b>Marketing and advertising</b>     |                |                |
| Advertising and marketing            | 3,749          | 981            |
| Brochures                            | 4,906          | 6,716          |
| Mailing list                         | 1,157          | 311            |
| Photographs                          | 180            | 225            |
| Posters                              | 3,510          | –              |
|                                      | <u>13,502</u>  | <u>8,233</u>   |



## Highlights Productions

Notes to the Detailed Statement of Financial Activities *(continued)*

Year Ended 31 March 2023

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|                                    | <b>2023</b>    | 2022           |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| <b>Grants payable</b>              |                |                |
| Arts Out West                      | 34,310         | 34,310         |
| Heron Theatre                      | 600            | 600            |
|                                    | <u>34,910</u>  | <u>34,910</u>  |
| <b>Premises costs</b>              |                |                |
| Rent                               | 2,400          | 2,400          |
| Light and heat                     | 703            | 723            |
| Repairs and renewals               | 118            | 592            |
| Insurance                          | 1,476          | 1,019          |
| Laundry and cleaning               | 480            | 362            |
| Room hire                          | 910            | 370            |
|                                    | <u>6,087</u>   | <u>5,466</u>   |
| <b>Depreciation</b>                |                |                |
| Deprecation                        | 1,572          | 1,932          |
|                                    | <u>1,572</u>   | <u>1,932</u>   |
| <b>Legal and professional fees</b> |                |                |
| Accountancy fees                   | 870            | 870            |
|                                    | <u>870</u>     | <u>870</u>     |
| <b>Total expenditure</b>           | <u>262,733</u> | <u>261,658</u> |
| <b>Net income</b>                  | <u>37,134</u>  | <u>6,545</u>   |

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