

“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 2021



**“LITTLE WORLD” LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31 2021**

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**“LITTLE WORLD” LIMITED
CHAIR’S FOREWORD
FOR THE YEAR ENDED MARCH 31 2021**

The end of the financial year to March '21 covers an unprecedented period in the company's history due to the effects of the Covid-19 pandemic. Like many arts organisations in the UK it was a period of uncertainty and frustration, as in effect, the Arts Sector remain closed. However, despite this the company remains in a healthy and resilient place and ready to take up opportunities as the Arts Sector begins the tentative steps in re-opening during 2021.

As this report details the company made use of the Government's furlough scheme to protect and retain our staff team, and I would like to take the opportunity to thank the staff team for their dedication and commitment to the company during the last year of uncertainty. As the report outlines thanks to the staff team's positive attitude we were able to take advantage of the windows of opportunity that came about over the last year to open the building and welcome the community and companies into our home, the Boo. Not only did we continue to deliver activities, we also explored new ways of working to increase our digital offer so that Horse & Bamboo continued to engage and delight our audience, partners, and friends.

There is no doubt that uncertainty will still exist with the arts sector and for Horse & Bamboo. However, thanks to the resolve and reliance of the staff team, trustees, our funders, supporters, and friends we are in a place to ensure that Horse & Bamboo continues to grow in strength as a cultural force locally, regionally, nationally, and internationally.

Alex McDonald - Chair

**“LITTLE WORLD” LIMITED
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED MARCH 31 2021**

DIRECTORS

Glenda Berg	
Caroline Eccles	
Lynne Farnell	(resigned 24/12/2020)
Ayesha Gavin	(resigned 23/03/2021)
Peter Latham	(appointed 25/11/2020)
Anthony McClean	
Alexander McDonald	(appointed 25/11/2020)
Shalon Miah	
Rosemary Scott	(resigned 25/11/2020)
Yousef Sheikh	

COMPANY SECRETARY

Heather Walker

KEY STAFF

Esther Ferry-Kennington	Executive Director
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**REGISTERED OFFICE AND
PRINCIPAL PLACE OF BUSINESS**

The Boo
679 Bacup Rd, Waterfoot, Rossendale
BB4 7HB

**INDEPENDENT EXAMINER
ACCOUNTANTS**

Peter Smith BA FCA DChA
Chittenden Horley - Chartered Accountants
HGA Accountants & Financial Consultants Ltd
456 Chester Road
Old Trafford
Manchester M16 9HD

BANKERS

CAF Bank Ltd
Kings Hill, West Malling, Kent

**“LITTLE WORLD” LIMITED
TRUSTEES’ AND DIRECTORS’ ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2021**

The trustees present their annual report together with the financial statements of the charity for the year ended March 31 2021 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

We will create work that reminds us all of the wonder of being alive in this endlessly fascinating and complex world. We want to reach all sections of society and communicate with people in exciting and unexpected ways, to sometimes surprise, amuse, intrigue and question but always entertain. We will be a vital part of our neighbourhood, creating a place where art and creativity are an ordinary and essential part of people’s lives.

Mission Statement

We draw inspiration from our location in Pennine Lancashire and reflect our sense of place in the work that we produce. We are part of the cultural fabric of our neighbourhood. The Boo provides a sense of belonging, a place for inspiration and a welcoming environment where families can share experiences through art and theatre. Through educating and inspiring audiences, we can have a lasting impact on the quality of their cultural lives and give them a sense of commitment to Horse and Bamboo Theatre and The Boo and thereby become advocates for our work and contribution to the community.

National and international tours enable us to reach new audiences and consolidate our reputation as national and international specialists in puppetry and mask. We will continue to draw inspiration from touring and reflect this back to our local audiences through the development of our work. We produce thought provoking and emotionally engaging theatre with an integrity that resonates with audiences. We support wide ranging art forms guided by the strengths and enthusiasms of the artists and audiences with whom we work. We share our skills and resources with emerging artists and support our wider community in engaging young people and families in the arts.

Activities

Horse and Bamboo was formed in 1978 by a small group of artists, musicians and performers led by the founding Artistic Director Bob Frith. Its purpose; to take visual, musical and predominantly non-verbal theatre to places largely neglected by conventional forms of theatre, playing to audiences from a wide range of backgrounds. Since then the company has been on the road as a touring puppet theatre company across Lancashire, the UK and Europe with performances aimed at young and adult audiences. In June 1983 the company become a registered charity, Little World Ltd t/a Horse and Bamboo with a Board of Trustees and Members.

The company moved into a permanent home in Waterfoot in the Rossendale Valley calling the venue “The Boo”. The Boo provides a small performance space delivering a regular programme for the community, performed by visiting artists as well as the Horse and Bamboo team. The Boo is also a creative hub where artists collaborate to share and develop skills and create new shows. Increasingly, the company is reaching out into the local community to engage families and young people in the Rossendale Valley to access the creative skills the company can offer.

The company has well developed partnerships with local organisations working in the community, and is active in networks regionally and nationally in the Theatre Arts sector. The company works in close collaboration with funders to deliver shared objectives. Funders, community partners and networks are listed at Appendix H. Horse and Bamboo is governed by a Board of Trustees (Appendix G) responsible for supporting the strategic aims of the company, its financial health, the governance and the effective use of resources. The staff are responsible for the continued artistic development of the company and the delivery of the Strategic plan and Operational plan.

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 The Boo and contribute to marketing content and advocacy for the company in our locality.

**"LITTLE WORLD" LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2021**

ACHIEVEMENTS AND PERFORMANCE

Overview

In the initial period of lockdown in March 2020 we closed our doors and awaited further information from central government, Arts Council England and DCMS. We furloughed most staff for the first full lockdown and reassessed the situation on a fortnightly basis. Once we were through that first period, in June 2020, we began to assess what was possible within strict health and safety guidelines. Some operational staff returned, and we offered our building to the community for any activities that were allowed. We welcomed ESOL classes, holiday clubs and early years support services. In autumn 2020 we were able to offer outdoor theatre shows and reviewed our offer to enable people to attend all shows on a 'pay what you think' basis ensuring access for all.

We have used the government's Job Retention Scheme and this, alongside ongoing National Portfolio Funding from Arts Council England and additional funding from the Oak Foundation has mean we have been able to stabilise our finances throughout the pandemic, and shore up our reserves to ensure we can face the challenges of Covid-19, alongside the ongoing challenges of austerity and Brexit over the coming 18 months.

In addition to community use of our building, we have offered some digital services and through the funding from The Oak Foundation have invested in technology which is now available to artists in our area who have not previously had this access. In the forthcoming period of reduced restrictions we will also develop a hybrid model in which we can have small, distanced audiences in the building and a wider audience through streaming.

Our 2020 summer festival Waterfoot Wakes inevitably had to be cancelled. Our planned delivery of our summer festival in 2021, usually focused on one weekend, is being spread over the summer holidays, focusing on outdoor activities and additional digital delivery. This will also allow us to assess audience response to events as we plan our autumn indoor events programme and our Christmas activities for 2021.

Activity

Ramadan Kareem

We have developed an online storytelling show called Ramadan Kareem which tells the story of Ramadan and of the drummer girl who plays the role of waking everyone up before sunrise to eat and pray. This piece was delivered via zoom and was very well attended by South Asian and Syrian families in Rossendale. We are now developing this into an interactive show to take to schools.

Postal activities

In the initial period of lockdown, we shared the work of fellow organisations who were creating good quality online theatre eg. Little Angel Theatre via our social media and other channels. We felt this kind of work was widespread and accessible from Rossendale, and that it was not good use of our resources to replicate this work.

From June 2020 onwards we started to commission some simple graphic novels which we sent to our audiences and to participants of access programmes in the post. These worked very well and echoed the handmade simplicity of some of the company's work. We have now delivered 2 of these, My Shadow and Me and The Stars Lock Down, 2 theatre show boxes, including one partnership with What's Coming Out of The Box Theatre and their beautiful winter story show box, Seashell Stew. Our book about Mossy begins a year of activities and engagement work which will lead to our winter 2021 theatre installation and Christmas show. Mossy, an intriguing character, encourages families to get out and about on walks, foraging for plants and finding heritage assets in our beautiful, historic valley. A series of foraging cards have continued to be developed as we have moved through the seasons and these are now available on our website. All of these postal activities have been offered to our audiences for a donation and free to all of our programme participants though Baby Boo, Making a Change and our ESOL students.

Digital activities

From March 2021 we have begun our Boo Comedy nights with comedian Tez Ilyas. This has been a brilliantly diverse programme of comedians performing from their own homes whilst Tez has hosted the nights at The Boo. The technology of this has been challenging and the company has been on an astonishingly steep learning curve to make these events happen. They have been well attended and have given us the opportunity to understand what is possible through digital technology at The Boo, whilst continuing to support new and diverse audiences.

In partnership with Big Imaginations we have offered digital shows for families during half terms in October and February and we offered some Christmas activities too. These were well attended and appreciated by families. Attempts to deliver Baby Boo online were less successful and we were pleased to be able to return to live delivery in March 2021.

Through partnership with Big Imaginations and poet Dommy B we hosted digital performance When Trolls Try to Eat Your Goldish and we also worked with the Rossendale Art Trail group to facilitate a new website for over 40+ visual artists throughout Rossendale who would usually have been part of the open studios weekend.

**“LITTLE WORLD” LIMITED
TRUSTEES’ AND DIRECTORS’ ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2021**

Live activities

We used our building host and film the R Awards, a local business network and awards ceremony and during October half term we hosted our Season in a Week, programming storytelling with Ursula Holden-Gill, Lempen Puppet Company's show The Fisher and His Wife, Halloween pumpkin trail with families making pumpkins.

We also hosted Tales Of The Monstone exhibition and book which looked at the myths and legends associated with the Monstone, an old boundary stone on the South Pennine Moors above Whitworth and included woodcuts from Horse + Bamboo's founder, Bob Frith.

We commissioned a poem by Dommy B to welcome back audiences, painting it along our garden path to be read as the socially distanced queue made its way into the building. We hosted holiday clubs with Footlights and other partner providers and returned to our live Baby Boo sessions whenever we were allowed to.

Archive development

During this entire period, we have been working on developing the company's archive. As a long-standing visual theatre company our building houses vast quantities of British Theatre history which needs an investment of time that we have not previously been able to resource. Throughout 2020 we have cleared spaces on the first floor and begun to catalogue the company's long and iconic history of horse drawn touring and visual theatre since 1978. This has also allowed us to use spaces upstairs which have previously been unused and to spread out activity allowing for social distancing.

Strategic

Board Development

In November 2020 we welcomed a new Chair and Treasurer to the board of trustees, and this has resulted in an exciting reinvigoration of the board. A new Strategic Sub-Group has been established which is able to meet between board meetings and move activities and details forward with capacity and momentum.

Creative Step

The Creative Step, a programme of sessions facilitated by Jonathan Ball working with Creative Lancashire, gave a cohort of artists, staff, board and external stakeholders an opportunity to investigate the question “What is Horse + Bamboo?”. From this we have developed a set of three new strategic priorities which will begin to frame our NPO application in 2022.

The first is to refocus and nurture our artists vision with clarity and integrity. We will do this through a new set of artists and commissioning principles to put creativity back and the centre of the organisation. The second is to initiate work on our new Creation Centre. This will develop a living building with artistic creation at its centre bringing together making in relation to Baby Boo, Making a Change and our new archive alongside investment in a funded creative team to act as mentors and managers of the workshop and to welcome new makers and artists into the Creation Centre for training, research and development and the full realisation of new creative projects. The final priority is to streamline our branding back under one umbrella, Horse + Bamboo, accentuating the breadth of work that we do and giving clarity for audiences, funders and staff.

Heritage Action Zone Funding and Cultural Consortium

Working with Rossendale Borough Council we have led the Bacup Cultural Consortium and in January 2021 achieved £90k of funding from Historic England Cultural Programme and this will see us lead cultural activity throughout Bacup in 2021-24.

**"LITTLE WORLD" LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2021**

FINANCIAL REVIEW

Overview

We report a surplus on unrestricted funds this year of £46,029 (2019/20 - £1,383), which has only been possible because of the additional financial support we obtained to address the challenges of COVID 19.

Covid-19

In the final 2 weeks of the previous financial year we locked down our building under guidance from the Government regarding the global pandemic Covid-19. At that stage we did not know how long we would be closed for, or what the impact of closure would be.

Most staff were furloughed very quickly and the government's Job Retention Scheme has worked well for us, securing c£39k in support. We received financial donations from the Oak Foundation (£19,750) and Granada Foundation (£2,500) both which are to help us address the changes we will need to make to secure our organisation in a post-covid world, but are unrestricted in nature.

Risk management

This year's increase in reserves is much needed as we face an ongoing period of uncertainty. Covid restrictions have not yet been fully released and there is an ongoing possibility of further waves, restrictions and even pandemics as we look to the future. As we open fully we will also start understand any consequences of Brexit that we have not yet known due to restricted activity.

We continue to diversify income, and long-term investment from funders with new investment from Lancashire County Council for our ESOL Cafe. We continue to achieve on our NPO agreement with Arts Council England where Covid has allowed and are in a good financial position to draw up our NPO application in the coming year.

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. We also have adequate staffing capacity to apply to trusts and foundations for new projects and business development work.

Going Concern

Although the charity continues to face the uncertainties of a post COVID world, 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
Oak Foundation
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£51k. At the year end the free reserves stood at £97,519 (2020 - £50,474) above the current target level. However, as we emerge from the global pandemic it is likely that we will need to draw on those reserves to meet the challenges of operating in new ways and to allow time for earned income to recover. We have therefore developed the following approach to our free reserves over the following 12 months –

£10k – Covid protection fund

£10k – Business development fund

£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)

£52k – Approximately 6 months operating costs

FUTURE PLANS

To support its vision, mission and values, Horse and Bamboo will promote six specific aims during the Business Plan 2018-2022. The principal aims are:

1. Develop The Boo'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

**“LITTLE WORLD” LIMITED
TRUSTEES’ AND DIRECTORS’ ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2021**

These individual aims are supported by a set of 8 objectives which have been reviewed in March 2021 to reflect our present situation and future plans.

1. Increase the diversity and capacity of our professional programming, workshops and participatory projects through The Boo 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 2021**

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

Alex McDonald – Director

Date: 21/11/21

**INDEPENDENT EXAMINERS REPORT
TO THE TRUSTEES OF THE "LITTLE WORLD" LIMITED
FOR THE YEAR ENDED MARCH 31 2021**

I report to the charity trustees on my examination of the accounts of the company for the year ended March 31 2021 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.

Peter Smith

Peter Smith BA FCA DChA

For and on behalf of:
Chittenden Horley - Chartered Accountants

HGA Accountants and Financial Consultants Ltd
456 Chester Road
Old Trafford
Manchester M16 9HD

Date: 30/11/21



“LITTLE WORLD” LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)
FOR THE YEAR ENDED MARCH 31 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOMING RESOURCES					
Donations	2	187,820	-	187,820	124,254
Charitable activities	3	5,390	36,150	41,540	76,973
Other trading activities	4	2,877	-	2,877	7,768
Bank & other interest received		37	-	37	98
Other income - gain on disposal of fixed assets		-	-	-	300
TOTAL INCOME		<u>196,124</u>	<u>36,150</u>	<u>232,274</u>	<u>209,393</u>
RESOURCES EXPENDED					
Raising funds	5	4,463	-	4,463	4,563
Charitable activities	6	145,632	25,452	171,084	220,278
TOTAL EXPENDITURE		<u>150,095</u>	<u>25,452</u>	<u>175,547</u>	<u>224,841</u>
NET INCOMING/(EXPENDITURE)		46,029	10,698	56,727	(15,448)
TRANSFERS	13	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INCOME/(EXPENDITURE) BEFORE TAXATION	13	46,029	10,698	56,727	(15,448)
TAXATION - theatre tax credit		<u>-</u>	<u>-</u>	<u>-</u>	<u>5,596</u>
NET INCOME/(EXPENDITURE) AFTER TAXATION - NET MOVEMENT IN FUNDS		46,029	10,698	56,727	(9,852)
FUND BALANCES BROUGHT FORWARD	13	313,727	117,412	431,139	440,991
FUND BALANCES CARRIED FORWARD	13	<u>359,756</u>	<u>128,110</u>	<u>487,866</u>	<u>431,139</u>

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

"LITTLE WORLD" LIMITED
BALANCE SHEET
AS AT MARCH 31 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible Assets	9		356,614		364,665
CURRENT ASSETS					
Stock	10	563		939	
Debtors	11	2,919		1,759	
Cash at Bank and in Hand		<u>137,290</u>		<u>71,267</u>	
		140,772		73,965	
CREDITORS					
Amounts falling due in one year	12	<u>9,520</u>		<u>7,491</u>	
NET CURRENT ASSETS			<u>131,252</u>		<u>66,474</u>
NET ASSETS			<u>487,866</u>		<u>431,139</u>
FUNDS					
Unrestricted	13		359,756		313,727
Restricted	13		<u>128,110</u>		<u>117,412</u>
TOTAL FUNDS			<u>487,866</u>		<u>431,139</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 2021, 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: 21/11/21

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 2021

	notes	2021 £	2020 £
Cash used in operating activities	18	<u>69,637</u>	<u>5,725</u>
Cashflows from investing activities			
Interest and dividends		37	98
Purchase of tangible fixed assets		(3,651)	(525)
Proceeds of sale of fixed assets		-	300
Cash provided by/(used in) investing activities		<u>(3,614)</u>	<u>(127)</u>
Cashflows from financing activities			
Cash used in financing activities		<u>-</u>	<u>-</u>
Increase/(decrease) in cash & cash equivalents in the year		66,023	5,598
Cash and cash equivalents brought forward		71,267	65,669
Cash and cash equivalents carried forward		<u>137,290</u>	<u>71,267</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		137,290	71,267
		<u>137,290</u>	<u>71,267</u>

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 2021

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 2021

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 2021

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
2 DONATIONS						
Core grants:						
Arts Council England	125,907	-	125,907	123,632	-	123,632
HMRC - CJRS grant	39,256	-	39,256	-	-	-
Oak Foundation	19,250	-	19,250	-	-	-
Granada Foundation	2,500	-	2,500	-	-	-
Donations	907	-	907	622	-	622
	<u>187,820</u>	<u>-</u>	<u>187,820</u>	<u>124,254</u>	<u>-</u>	<u>124,254</u>

3 INCOME FROM CHARITABLE ACTIVITIES

Project grants:

Rossendale Borough Council	-	-	-	-	2,000	2,000
Z Arts	-	275	275	-	1,208	1,208
The Bromley Trust	-	14,000	14,000	-	14,000	14,000
HLF via CAST	-	-	-	-	10,000	10,000
Sir Halley Stewart Trust	-	16,900	16,900	-	8,450	8,450
Lancashire County Council	-	4,975	4,975	-	-	-
Co-op Community Fund	-	-	-	-	3,444	3,444
Aawaz	-	-	-	-	1,000	1,000
Woodward Charitable Trust	-	-	-	-	1,500	1,500
Tesco Bags for Help	-	-	-	-	2,000	2,000
LCC - Arts Lancashire	-	-	-	-	1,000	1,000
Other grants	-	-	-	-	250	250
	-	36,150	36,150	-	44,852	44,852

Fees: performance & workshops	5,139	-	5,139	25,545	-	25,545
Related trading	251	-	251	6,576	-	6,576
	<u>5,390</u>	<u>36,150</u>	<u>41,540</u>	<u>32,121</u>	<u>44,852</u>	<u>76,973</u>

4 INCOME FROM OTHER TRADING ACTIVITIES

Room hire	2,877	-	2,877	7,768	-	7,768
	<u>2,877</u>	<u>-</u>	<u>2,877</u>	<u>7,768</u>	<u>-</u>	<u>7,768</u>

5 COST OF RAISING FUNDS

Staff costs	4,263	-	4,263	3,863	-	3,863
Direct costs	-	-	-	500	-	500
Office costs	200	-	200	200	-	200
	<u>4,463</u>	<u>-</u>	<u>4,463</u>	<u>4,563</u>	<u>-</u>	<u>4,563</u>

“LITTLE WORLD” LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

6 ANALYSIS OF CHARITABLE EXPENDITURE

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
As analysed below	<u>145,632</u>	<u>25,452</u>	<u>171,084</u>	<u>164,191</u>	<u>56,087</u>	<u>220,278</u>

	2021			2020		
	Theatre & Workshops	Related Trading	Total	Theatre & Workshops	Related Trading	Total
	£	£	£	£	£	£
Direct costs:						
Staff costs	85,460	2,749	88,209	80,024	3,271	83,295
Core fees	-	-	-	-	-	-
Artists & freelance staff fees	16,070	-	16,070	35,814	-	35,814
Production/workshop costs	13,004	-	13,004	26,643	-	26,643
Grants	-	-	-	500	-	500
Travel & accommodation	36	-	36	3,860	-	3,860
Theatre & premises costs	13,091	-	13,091	14,566	-	14,566
Marketing & publicity costs	1,081	-	1,081	7,785	-	7,785
Merchandise purchases	-	-	-	-	-	-
Café costs	-	988	988	-	5,483	5,483
Depreciation	11,702	-	11,702	11,647	-	11,647
Support costs:						
Staff costs	17,051	-	17,051	15,451	-	15,451
Core fees	-	-	-	-	-	-
Staff training & related costs	411	-	411	3,330	-	3,330
Office costs	5,738	-	5,738	7,726	-	7,726
Governance costs:						
Staff costs	2,100	-	2,100	2,100	-	2,100
Core fees	-	-	-	-	-	-
Audit, accountancy & legal	1,603	-	1,603	2,078	-	2,078
	<u>167,347</u>	<u>3,737</u>	<u>171,084</u>	<u>211,524</u>	<u>8,754</u>	<u>220,278</u>

7 STAFF COSTS

	2021	2020
	£	£
a Employees		
Salaries	108,493	100,359
Employers pension contributions	1,685	1,610
Social security costs	1,445	2,740
	<u>111,623</u>	<u>104,709</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 2021

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>20,777</u>	<u>28,750</u>

Payments to freelance members of the team amounted to nil (2018/19 - £11,765)

c Average staff numbers

	2021 Number	2020 Number
The average number of employees was;	<u>9</u>	<u>7</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	1,483	1,918
Depreciation of other fixed assets	11,702	11,647
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 2020	590,821	124,224	-	715,045
Additions	-	3,651	-	3,651
	-	-	-	-
As at March 31 2021	<u>590,821</u>	<u>127,875</u>	<u>-</u>	<u>718,696</u>
Depreciation				
As at April 1 2020	227,463	122,917	-	350,380
Charge for the year	9,760	1,942	-	11,702
	-	-	-	-
As at March 31 2021	<u>237,223</u>	<u>124,859</u>	<u>-</u>	<u>362,082</u>
Net Book Value				
As at March 31 2021	<u>353,598</u>	<u>3,016</u>	<u>-</u>	<u>356,614</u>
As at March 31 2020	<u>363,358</u>	<u>1,307</u>	<u>-</u>	<u>364,665</u>

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

	2021	2020
	£	£
10 STOCKS		
Stock of goods for resale	<u>563</u>	<u>939</u>
11 DEBTORS		
Trade debtors	891	1,168
Income receivable	-	-
VAT refund	2,028	237
Prepayments	<u>-</u>	<u>354</u>
	<u>2,919</u>	<u>1,759</u>
12 CREDITORS falling due within one year		
Trade creditors	5,979	3,703
Other taxation and social security	1,350	1,212
Accruals	<u>2,191</u>	<u>2,576</u>
	<u>9,520</u>	<u>7,491</u>

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

13 STATEMENT OF FUNDS

	2019/20			2020/21		
	01/04/2019	Income	Expenditure	Transfers	31/03/2021	
Unrestricted funds:						
General fund	111,560	164,541	(158,908)	-	167,472	
Designated fund - building development	200,784	-	(4,250)	-	192,284	
	312,344	164,541	(163,158)	-	359,756	
Restricted Funds:						
Revenue fund:						
Rossendale Borough Council	-	2,000	-	-	2,000	
Z Arts	-	1,208	(1,208)	-	-	
The Bromley Trust	14,000	14,000	(14,000)	-	14,000	
The Big Lottery	1,600	-	(1,600)	-	-	
HLF via CAST	-	10,000	(10,000)	-	-	
Sir Halley Stewart Trust	-	8,450	(8,450)	-	-	
Lancashire County Council	-	-	-	-	12,758	
Co-op Community Fund	-	3,444	(3,444)	-	4,975	
Aawaz	-	1,000	(1,000)	-	-	
Woodward Charitable Trust	-	1,500	(1,500)	-	-	
Tesco Bags for Help	-	2,000	(2,000)	-	-	
East Lancashire CCG	1,600	-	(1,600)	-	-	
W O Street Charitable Foundation	3,000	-	(3,000)	-	-	
LCC - Arts Lancashire	-	1,000	(1,000)	-	-	
Other grants	-	250	(250)	-	-	
Capital grants:						
Capital Grants Expended	108,447	-	(7,035)	-	94,377	
	128,647	44,852	(56,087)	-	128,110	
	440,991	209,393	(219,245)	-	487,866	

Unrestricted funds:

General fund

Designated fund - building development

Restricted Funds:

Revenue fund:

Rossendale Borough Council

Z Arts

The Bromley Trust

The Big Lottery

HLF via CAST

Sir Halley Stewart Trust

Lancashire County Council

Co-op Community Fund

Aawaz

Woodward Charitable Trust

Tesco Bags for Help

East Lancashire CCG

W O Street Charitable Foundation

LCC - Arts Lancashire

Other grants

Capital grants:

Capital Grants Expended

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at March 31 2021 are represented by:-			
Tangible fixed assets	262,237	94,377	356,614
Net assets	<u>97,519</u>	<u>33,733</u>	<u>131,252</u>
	<u>359,756</u>	<u>128,110</u>	<u>487,866</u>
Fund balances at March 31 2020 are represented by:-			
Tangible fixed assets	263,253	101,412	364,665
Net assets	<u>50,474</u>	<u>16,000</u>	<u>66,474</u>
	<u>313,727</u>	<u>117,412</u>	<u>431,139</u>

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 (2020 - 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 :

	2021 £	2020 £
Amounts due;		
Within one year	390	780
Between two to five years	<u>-</u>	<u>390</u>

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

	2021 £	2020 £
Net income/(expenditure)	56,727	(9,852)
Add back depreciation	11,702	11,647
Deduct interest income shown in investing activities	(37)	(98)
Deduct profit/add back losses on disposals of FA	-	(300)
Decrease/(increase) in stocks	376	137
Decrease/(increase) in debtors	(1,160)	9,682
Increase/(decrease) in creditors	<u>2,029</u>	<u>(5,491)</u>
Net cash generated from/(used in) operating activities	<u>69,637</u>	<u>5,725</u>

The Charity had no net debt at the year end (2020 - none).

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

19 RELATED PARTY TRANSACTIONS

Caroline Eccles, a trustee, has been engaged by the charity to film animation work. She operates as a sole trader under the banner of Huckleberry Films. She takes no part in the decision to engage her services or in discussions/decisions concerning the charity's relationship with her. During the year the charity paid £nil (2019 -£500) to her for filming services. There were no amounts outstanding at the year end (2020 - none).

Ayesha Gavin, a trustee until March 2021 was paid £30 for BSL interpretation work (last year - £nil) . There were no amounts outstanding at March 31 2021. She played no part in the charity's decision to engage her services.

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.