

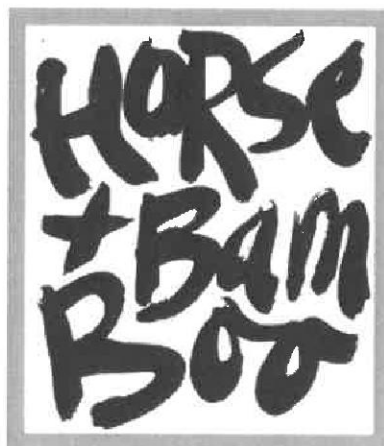
“LITTLE WORLD” LIMITED
(a company limited by guarantee)

OPERATING AS HORSE + BAMBOO THEATRE

**ANNUAL REPORT
AND UNAUDITED FINANCIAL STATEMENTS**

FOR

THE YEAR ENDED MARCH 31 2019



**"LITTLE WORLD" LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31 2019**

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**"LITTLE WORLD" LIMITED
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED MARCH 31 2019**

DIRECTORS

David Agnew	
Glenda Berg	
Caroline Eccles	
Lynne Farnell	
Ayesha Gavin	
Laurence Kaye	(resigned 31/05/18)
Anthony McClean	
Shalon Miah	(appointed 25/07/18)
Rosemary Scott	
Alexander Summers	(resigned 28/11/18)

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

**ACCOUNTANTS
& INDEPENDENT EXAMINERS**

Chittenden Horley Ltd
Chartered Accountants
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 2019**

The trustees present their annual report together with the financial statements of the charity for the year ended March 31 2019 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 2015), referred to as the Charities SORP (FRS 102).

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 became 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 2019**

ACHIEVEMENTS AND PERFORMANCE

Introduction

2018/19 has proved considerably more financially successful than the previous with a much needed increase in free reserves of c£18k. Creatively the company has brought in some strong new artistic leaders as was planned within this NPO agreement and they have begun to lead on some of our key projects.

Baby Boo

We have welcomed Sue Auty to lead our Baby Boo programme in the second half on 2018 and received funding from Big Lottery to support extended delivery. Our Baby Boo programme is exactly designed to address barriers to participation for families with young children. Our programme offers opportunities for engagement in libraries and other community and early years settings in our area which offers little cultural provision and reducing local authority family support.

Our work with third sector partners across a range of diverse groups ensures that our work is offered for participation even when community members would not consider entering the theatre space. For instance this year we have taken 20 workshops out to third sector partners such as Homestart, to support either their work, or to encourage engagement with the wider programme at The Boo.

Waterfoot Wakes (new festival)

Our new festival Waterfoot Wakes, which replaces our old summer Puppet Festival, has been shaped to encourage audience development for our events throughout the year, and to build partnerships with other key organisations in Waterfoot. We delivered the festival with The Old Library Café and Edgeside and District Community Partnership who both proved to be excellent partners. The festival offers a broad range of programming to reflect the work we do at The Boo all year round. One of the key areas of growth for this festival will be our new parade through the centre of the town.

Creative Case for Diversity and increased engagement with the least engaged

Suffrajitsu trialled a new way to embed BSL into a theatre piece. A TV screen was built into the set on which interpretations were presented whenever there was spoken word. The performers also signed some small parts of the start and end of the show. The feedback on this process was all excellent and we have worked closely with board member Ayesha Gavin and her company Ayesha Communications to develop the process and ensure it worked for deaf audiences. We had a deaf school at the final performance and feedback from them was also excellent.

We have continued our relationship with partner Apna Rossendale, a South Asian women-led centre in Haslingden. This year we have delivered Baby Boo sessions there and mentored one of the women to develop her own storytelling piece which she performed to celebrate the beginning of Ramadan. We are increasingly developing our venue to be a relaxed venue, rather than present relaxed shows and are now working on our website to articulate this. We continue to work with the local special school, hosting their annual 'Face Me' theatre company show and ensuring the building is genuinely accessible.

Funding for Baby Boo allowed us to re-engage with Homestart and bring our work to their sessions with families who face multiple challenges. We have been able to make our Baby Explorers sessions at The Boo free which encourages these families to engage with us and the venue. We have delivered our first two prison residencies working closely with parents in prison so make something to share with their children on Family Visit day. The successful residencies at HMP Buckley Hall in Rochdale have had great impact on the family day and feedback from partners and families has been excellent.

The Boo

Through partnership work with Cotton Shed, SongPlay choir and others we have more than doubled our participation in the building. A new Community Effect Café has also been opened at the Boo by a local residential home for people with alcohol issues. It is a space for them to practice mindfulness, yoga, guitar and other arts lessons, and to invite their family and friends.

These partnerships have brought new and different audiences to the work they present and they have also created opportunities for audience development for the rest of our programming. Through these partnerships we are now open to the public on a regular basis during the week and every weekend. We have achieved 49% average capacity, slightly short of our 55% target but when broken down there is more to the data. Our comedy and theatre events have seen a large rise in attendance at 67% and 60% respectively. Our music and cinema programme still need some work and we continue to learn what will work with our audiences.

Touring

We have developed our relationship with schools in Lancashire this year through Suffrajitsu and Snowglobe. Suffrajitsu was shown at Helmshore Textile Museum, The Harris and Blackburn Museum, which built good relationships with each of those venues and the schools which visited the show. We worked closely with the Simply Schools website and we hope to continue that relationship in future.

Snowglobe, our in-house Christmas production, sold-out across the run and we added in two extra shows. We managed to sell 8 school shows and began good relationships with a number of schools locally through this. We are presently renewing our website platform to increase efficiency and to ensure schools information is more prominent and our marketing officer has been given increased capacity to build our work with schools, particularly Artsmark.

Summary

Our priority for this year has been to increase our free reserves and whilst achieving that we have also managed to deliver our NPO and other funding agreements. Our income has been considerably lower than previous years and we have reduced our financial risk as a result.

**"LITTLE WORLD" LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2019**

FINANCIAL REVIEW

Overview

We report a surplus on unrestricted funds this year of £13,819 (2017/18 deficit of £46,439). Adjusting for the investment in fixed assets (£1,069) and adding back depreciation charged to unrestricted funds (£4,964), means that we have added £17,714 to free reserve in the year.

Due to reduced core staffing budget from 17/18 onwards we have been able to budget in 2018/19 for relatively reliable income, which has covered core costs, and less reliable income, from trusts and foundations for example, which has covered project costs. In the case that income for those projects is not achieved they simply will not be delivered – as in the case of 679 Bacup Rd, our proposed HLF project. We knew early in 2018 that this project was not going to be funded and so were able to move objectives and other funding relating to the project elsewhere in our planning.

Despite reduced income we have been able to deliver on all of our key projects; Baby Boo, Making a Change (prisons), Waterfoot Wakes, The Boo programme and Suffrajitsu.

Risk management

Over reliance on one source of income is undesirable and unsustainable. It is business critical to spread financial risk in order to adapt to economic, political and environmental changes that will challenge Horse and Bamboo now and in the future and to minimise the risk and disruption to the achievement of our vision and mission. This Strategic Aim provides us with a framework for fund raising and income generation and while this Aim focuses on mitigating the financial risks, other factors that will contribute to our resilience and sustainability. For example embedding Horse and Bamboo in the community and building strong partnerships; continuing to strive for artistic ambition, including sharing our expertise and working in innovative ways and sharing and developing our audience through local, national and international touring. These areas are dealt with elsewhere in the Strategic Plan.

Principal funding sources

Arts Council England
The Bromley Trust
The Big Lottery
Rossendale Borough Council
East Lancs CCG

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 £45,005, c£6k below the current target level, a marked improvement on the position reported last year end.

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

These individual aims are discussed in more detail below and relate to the SMART objectives outlined our Business Plan.

We celebrate the Creative Case for Diversity and aspire for genuine and authentic engagement with the communities and artists that surround us in our Rossendale setting. Ongoing work with South Asian communities and developing work with low-socio economic groups will underpin our approach whilst also ensuring we earn income from those who are choosing Rossendale as their new home.

We will continue to broaden The Boo's public programme, raising our profile as a cultural venue and as a warm, welcoming space in the centre of our community. Alongside this, long-term, committed artist development will frame all aspects of our work. We will offer a platform and wherever possible, resources to support the development of skills, innovation and exciting, powerful cultural activity.

We will continue to work outside the walls of The Boo, using outreach to enhance the lives of people in our neighbourhood, to enhance our profile, to offers Arts Award and artistic resources to Children and Young People throughout Rossendale.

**"LITTLE WORLD" LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2019**

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.

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 2015 (FRS 102);
- 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.

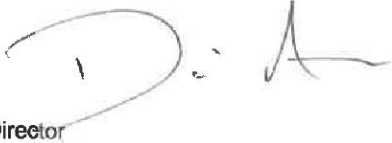
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

**"LITTLE WORLD" LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2019**

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:

A handwritten signature in dark ink, appearing to be 'D. Agnew', written over the printed name.

David Agnew – Director

Date: 12-06-19

**INDEPENDENT EXAMINERS REPORT
TO THE TRUSTEES OF THE "LITTLE WORLD" LIMITED
FOR THE YEAR ENDED MARCH 31 2019**

I report to the charity trustees on my examination of the accounts of the company for the year ended March 31 2019 which are set out on pages 8 to 19.

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 BA FCA DChA

For and on behalf of:
Chittenden Horley Limited
Chartered Accountants
456 Chester Road
Old Trafford
Manchester M16 9HD

Date: 20/6/19



"LITTLE WORLD" LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)
FOR THE YEAR ENDED MARCH 31 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
INCOMING RESOURCES					
Donations	2	124,603	-	124,603	150,614
Charitable activities	3	39,032	51,096	90,128	107,095
Other trading activities	4	4,144	-	4,144	2,808
Investment income (bank interest)		38	-	38	23
TOTAL INCOME		167,817	51,096	218,913	260,540
RESOURCES EXPENDED					
Raising funds	5	13,817	-	13,817	16,212
Charitable activities	6	149,096	47,431	196,527	305,293
TOTAL EXPENDITURE		162,913	47,431	210,344	321,505
NET INCOMING/(EXPENDITURE)		4,904	3,665	8,569	(60,965)
TRANSFERS	13	-	-	-	-
NET INCOME/(EXPENDITURE) BEFORE TAXATION	13	4,904	3,665	8,569	(60,965)
TAXATION - theatre tax credit		8,915	-	8,915	4,528
NET INCOME/(EXPENDITURE) AFTER TAXATION - NET MOVEMENT IN FUNDS		13,819	3,665	17,484	(56,437)
FUND BALANCES BROUGHT FORWARD	13	298,525	124,982	423,507	479,944
FUND BALANCES CARRIED FORWARD	13	312,344	128,647	440,991	423,507

The notes on pages 11 to 19 form part of these financial statements.

**"LITTLE WORLD" LIMITED
BALANCE SHEET
AS AT MARCH 31 2019**

	Notes	2019 £	2019 £	2018 £	2018 £
FIXED ASSETS					
Tangible Assets	9		375,787		386,717
CURRENT ASSETS					
Stock	10	1,076		896	
Debtors	11	11,441		8,184	
Cash at Bank and in Hand		<u>65,669</u>		<u>42,595</u>	
		78,186		51,675	
CREDITORS					
Amounts falling due in one year	12	<u>12,982</u>		<u>14,885</u>	
NET CURRENT ASSETS			65,204		36,790
NET ASSETS			440,991		423,507
FUNDS					
Unrestricted	13		312,344		298,525
Restricted	13		<u>128,647</u>		<u>124,982</u>
TOTAL FUNDS			440,991		423,507

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 2019, 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.

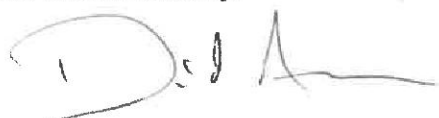
Directors' responsibilities

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 11 to 19 form part of these financial statements.

Approved by the Board and authorised for issue on: June 12 2019

And signed on their behalf by:



David Agnew - Director

Company registration number 1731859

"LITTLE WORLD" LIMITED
STATEMENT OF CASH FLOWS
AS AT MARCH 31 2019

	notes	2019 £	2018 £
Cash used in operating activities	18	<u>24,105</u>	<u>(33,092)</u>
Cashflows from investing activities			
Interest and dividends		38	23
Purchase of tangible fixed assets		(1,069)	(4,020)
Proceeds of sale of fixed assets		-	-
Payments to acquire investments		-	-
Cash provided by/(used in) investing activities		<u>(1,031)</u>	<u>(3,997)</u>
Cashflows from financing activities			
Proceeds from new borrowings		-	-
Repayment of borrowing		-	-
Cash used in financing activities		<u>-</u>	<u>-</u>
Increase/(decrease) in cash & cash equivalents in the year		23,074	(37,089)
Cash and cash equivalents brought forward		42,595	79,684
Cash and cash equivalents carried forward		<u>65,669</u>	<u>42,595</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		65,669	42,595
		<u>65,669</u>	<u>42,595</u>

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2019

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) issued on July 16 2014; 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.

The charity constitutes a public benefit entity as defined by FRS102.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts to March 31 2017, the trustees considered whether in applying the accounting policies required by FRS102 and Charities SORP FRS102 a restatement of comparative items was required. No restatements were required.

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 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 2019

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 2019

	2019			2018		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
2 DONATIONS						
Core grants:						
Arts Council England	123,632	-	123,632	123,632	-	123,632
Lancashire County Council	-	-	-	24,000	-	24,000
Building Development						
ACE	-	-	-	-	-	-
Donations	971	-	971	2,982	-	2,982
	<u>124,603</u>	<u>-</u>	<u>124,603</u>	<u>150,614</u>	<u>-</u>	<u>150,614</u>

3 INCOME FROM CHARITABLE ACTIVITIES

Project grants:

Rossendale Borough Council	-	3,865	3,865	-	3,000	3,000
Stacksteads Countryside Park Group	-	-	-	-	14,775	14,775
Z Arts	-	688	688	-	2,732	2,732
The Bromley Trust	-	14,000	14,000	-	14,000	14,000
The Big Lottery	-	9,800	9,800	-	-	-
East Lancashire CCG -						
Prescription for Wellbeing Grant	-	4,443	4,443	-	-	-
Ernest Hecht Charitable Foundation	-	3,300	3,300	-	-	-
WO Street Charitable Foundation	-	3,000	3,000	-	-	-
Blackburn with Darwen Council	-	3,000	3,000	-	-	-
The Granda Foundation	-	2,000	2,000	-	-	-
The Casey Trust	-	2,000	2,000	-	-	-
Curious Minds	-	1,500	1,500	-	1,500	1,500
Panda Arts	-	1,000	1,000	-	-	-
Preston City Council	-	1,000	1,000	-	-	-
LCC - Arts Lancashire	-	1,500	1,500	-	652	652
GFA via Chant Voices	-	-	-	-	5,650	5,650
The Santander Foundation	-	-	-	-	4,700	4,700
The Said Foundation	-	-	-	-	4,500	4,500
Aawaz Access Point	-	-	-	-	3,800	3,800
Ribble Rivers Trust	-	-	-	-	2,800	2,800
Other grants	-	-	-	-	-	-
	-	51,096	51,096	-	58,109	58,109

Fees: performance & workshops	32,810	-	32,810	43,470	-	43,470
Related trading	6,222	-	6,222	5,516	-	5,516
	<u>39,032</u>	<u>51,096</u>	<u>90,128</u>	<u>48,986</u>	<u>58,109</u>	<u>107,095</u>

4 INCOME FROM OTHER TRADING ACTIVITIES

Room hire	4,144	-	4,144	2,808	-	2,808
	<u>4,144</u>	<u>-</u>	<u>4,144</u>	<u>2,808</u>	<u>-</u>	<u>2,808</u>

5 COST OF RAISING FUNDS

Staff costs	3,857	-	3,857	4,667	-	4,667
Direct costs	9,960	-	9,960	11,545	-	11,545
Office costs	-	-	-	-	-	-
	<u>13,817</u>	<u>-</u>	<u>13,817</u>	<u>16,212</u>	<u>-</u>	<u>16,212</u>

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2019

6 ANALYSIS OF CHARITABLE EXPENDITURE

	2019			2018		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
As analysed below	149,096	47,431	196,527	237,186	68,107	305,293

	2019			2018		
	Theatre & Workshops	Related Trading	Total	Theatre & Workshops	Related Trading	Total
	£	£	£	£	£	£
Direct costs:						
Staff costs	58,339	1,730	60,069	64,612	-	64,612
Core fees	-	-	-	10,825	-	10,825
Artists & freelance staff fees	29,454	-	29,454	60,435	-	60,435
Production/workshop costs	31,385	-	31,385	73,812	-	73,812
Grants	1,564	-	1,564	-	-	-
Travel & accommodation	3,223	-	3,223	8,461	-	8,461
Theatre & premises costs	14,635	-	14,635	17,634	-	17,634
Marketing & publicity costs	11,804	-	11,804	13,716	-	13,716
Merchandise purchases	-	-	-	-	24	24
Café costs	-	3,721	3,721	-	4,967	4,967
Depreciation	11,999	-	11,999	17,043	-	17,043
Support costs:						
Staff costs	15,429	-	15,429	13,321	-	13,321
Core fees	-	-	-	500	-	500
Staff training & related costs	531	-	531	395	-	395
Office costs	9,300	-	9,300	15,762	-	15,762
Governance costs:						
Staff costs	2,000	-	2,000	2,000	-	2,000
Core fees	-	-	-	440	-	440
Audit, accountancy & legal	1,413	-	1,413	1,346	-	1,346
	191,076	5,451	196,527	300,302	4,991	305,293

7 STAFF COSTS

	2019	2018
	£	£
a Employees		
Salaries	79,759	82,512
Employers pension contributions	762	443
Social security costs	834	1,645
	81,355	84,600

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

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2019

7 STAFF COSTS (continued)

b Key management personnel

The key management of the charity comprise the trustees and senior staff (as set out on page 1) 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>25,311</u>	<u>36,485</u>

Payments to freelance members of the team amounted to nil (2017/18 - £11,765)

c Average staff numbers

	2019 Number	2018 Number
The average number of employees was:	<u>7</u>	<u>8</u>

The average number of FTE employees was:

Direct charitable	3	3.9
Fundraising and publicity	0.4	0.5
Governance	0.1	0.1
	<u>3.5</u>	<u>4.5</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	1,413	1,346
Depreciation of other fixed assets	11,999	17,043
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 2018	590,821	122,630	4,316	541,044
Additions	-	1,069	-	1,069
As at March 31 2019	<u>590,821</u>	<u>123,699</u>	<u>4,316</u>	<u>718,836</u>
Depreciation				
As at April 1 2018	204,743	121,991	4,316	331,050
Charge for the year	11,360	639	-	11,999
As at March 31 2019	<u>216,103</u>	<u>122,630</u>	<u>4,316</u>	<u>343,049</u>
Net Book Value				
As at March 31 2019	<u>374,718</u>	<u>1,069</u>	<u>-</u>	<u>375,787</u>
As at March 31 2018	<u>386,078</u>	<u>639</u>	<u>-</u>	<u>386,717</u>

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2019

	2019	2018
	£	£
10 STOCKS		
Stock of goods for resale	<u>1,076</u>	<u>896</u>
11 DEBTORS		
Trade debtors	716	4,950
Income receivable	9,083	1,697
VAT refund	769	
Prepayments	<u>873</u>	<u>1,537</u>
	<u>11,441</u>	<u>8,184</u>
12 CREDITORS falling due within one year		
Trade creditors	3,647	5,594
Other taxation and social security	1,126	999
Funds in trust - Arts Lancashire Partnership	3,800	5,000
Pension liability	-	1,322
Accruals	<u>4,409</u>	<u>1,970</u>
	<u>12,982</u>	<u>14,885</u>

Funds in trust - Arts Lancashire Partnership

The charity administers funds on behalf of the Arts Lancashire Partnership, which is an umbrella body of arts organisations which exists to support and promote the work of its members, offering a strategic voice for professional arts and culture in the county. Horse + Bamboo is a member organisation.

In addition to the funds in trust, Horse + Bamboo received grants of £700 in the year (2018 - £652).

The partnership is chaired by Esther Ferry-Kennington, Executive Director of Horse + Bamboo, who does not receive any remuneration from the partnership and took no part in the decision to award Horse + Bamboo funding.

13 STATEMENT OF FUNDS

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"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2019

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at March 31 2019 are represented by:-			
Tangible fixed assets	267,340	108,447	375,787
Net assets	45,005	20,200	65,204
	<u>312,345</u>	<u>128,647</u>	<u>440,991</u>
Fund balances at March 31 2018 are represented by:-			
Tangible fixed assets	271,235	115,482	386,717
Net assets	27,290	9,500	36,790
	<u>298,525</u>	<u>124,982</u>	<u>423,507</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 (2018 - 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 :

	2019 £	2018 £
Amounts due;		
Within one year	780	780
Between two to five years	<u>390</u>	<u>1,170</u>

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

	2019 £	2018 £
Net income/(expenditure)	17,484	(56,437)
Add back depreciation	11,999	17,043
Deduct interest income shown in investing activities	(38)	(23)
Deduct profit/add back losses on disposals of FA	-	-
Decrease/(increase) in stocks	(180)	510
Decrease/(increase) in debtors	(3,257)	2,147
Increase/(decrease) in creditors	(1,903)	3,668
Net cash generated from/(used in) operating activities	<u>24,105</u>	<u>(33,092)</u>

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2019

19 FINANCIAL INSTRUMENTS

The carrying amounts for each category of financial instrument is as follows:

	2019	2018
	£	£
Financial assets		
that are debt instruments measured at amortised cost	<u>77,110</u>	<u>50,779</u>
Financial liabilities		
measured at amortised cost	<u>12,982</u>	<u>14,885</u>

Financial assets measured at amortised cost comprise: cash at bank and in hand; trade debtors; and prepayments.

Financial liabilities measured at amortised cost comprise: trade creditors; other taxes and social security; funds in trust and accruals.

20 RELATED PARTY TRANSACTIONS

Details of the relationship with Arts Lancashire Partnership are given in note 12.

Following an open selection process in 2016 the charity appointed Farnell Consulting Ltd as bid writers. Subsequently, Lynne Farnell, a director and majority shareholder of that company, was appointed a trustee of the Charity. the arrangement with her company ended during 2018/19. She played no part in the Board decisions relating to the Charity's relationship with Farnell Consulting Ltd.

During the year the charity paid Farnell Consulting Ltd £6,460 (2018 - £10,520) and there no amounts outstanding at the year end (2018 -nil).

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 £1,412 (2018 -£3,000) to her for filming services. There were no amounts outstanding at the year end (2018 - none).

During the the year Ayesha Gavin, one of the trustees, was paid £500 for BSL interpretation work (2018 - nil) . There were no amounts outstanding at the year end. 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.

21 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.

22 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.