

REGISTERED COMPANY NUMBER: SC362133 (Scotland)
REGISTERED CHARITY NUMBER: SC040911

**Report of the Trustees and
Financial Statements For The Year Ended 31 July 2011
for
Lennoxlove Book Festival**

THURSDAY



S15PF0YI
SCT 29/03/2012 #460
COMPANIES HOUSE

Gall Robertson CA
(inc. Dobson & Company)
Tweedside Park
Galashiels
Selkirkshire
TD1 3TE

Lennoxlove Book Festival
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for the Year Ended 31 July 2011

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Lennoxlove Book Festival

Report of the Trustees for the Year Ended 31 July 2011

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC362133 (Scotland)

Registered Charity number
SC040911

Registered office
c/o Stonehill Salt PR
Haddington House
28 Sidegate
Haddington
EH41 4BU

Trustees
F de C Hamilton
A Moffat
P Ogilvie
N J Stonehill
R E A Salt

Company Secretary
F de C Hamilton

Independent Examiner
Sheila Robertson
Chartered Accountant (ICAS)
Gall Robertson CA
(inc. Dobson & Company)
Tweedside Park
Galashiels
Selkirkshire
TD1 3TE

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Lennoxlove Book Festival is a charitable company limited by guarantee incorporated on 3 July 2009 (Company No. SC362133) and governed by its Memorandum and Articles of Association. It is a registered Scottish Charity (number SC040911).

Organisational structure

Management is carried out by a Board of Directors which meets regularly throughout the year, with additional personnel contracted around the time of the annual Lennoxlove Book Festival in November in Haddington.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

The company was set up to carry out functions in East Lothian similar to those performed in the Scottish Borders by the Borders Book Festival (a separate charitable company limited by guarantee and incorporated in 2006). The self-employed festival management team for Lennoxlove Book Festival includes several people similarly involved in the annual Borders Book Festival. The two companies are legally and operationally separate, but three of the current five Board directors of Lennoxlove Book Festival are also directors of Borders Book Festival.

Lennoxlove Book Festival
Report of the Trustees
for the Year Ended 31 July 2011

OBJECTIVES AND ACTIVITIES

The Lennoxlove Book Festival uses office premises in Haddington House, Haddington, and has an agreement with the Hamilton and Kinneil Estates whereby it can put on annual book festivals at Lennoxlove House, against payment of agreed fees and expenses.

ACHIEVEMENT AND PERFORMANCE

The company's second book festival took place over three days at Lennoxlove, on 19-21 November 2010. It was substantially larger than the inaugural two-day festival in 2009. In 2010 the festival included 45 events featuring renowned authors (compared to just 13 in the first year), and overall ticket sales of around 4,700 compared to 3,000. Important public sector grant support was obtained from East Lothian Council, EventScotland and Tyne-Esk Leader, together with invaluable corporate sponsorship from McInroy & Wood and other private sector entities. Media coverage was once again extensive, and the festival had a clearly positive impact on the local economy. The Board considers that as a Scottish charitable company Lennoxlove Book Festival continued to fulfil its cultural and educational objectives.

FINANCIAL REVIEW

In its second year, the company's total income amounted to £116,766 against total expenditure of £112,848, resulting in a surplus of £3,918. With a longer and much larger book festival, ticket sales rose to £42,181 and gross book sales reached £18,799. Grants and sponsorship income totalled £55,786. The main costs items were authors' fees and expenses, payments to Lennoxlove House for use of the premises, fees to self-employed consultants working on the festival, printing and sound/lighting contractors. All in all this was a successful second year financially, although the company remains highly dependent on non-commercial income to meet the considerable expense of putting on the Lennoxlove Book Festival.

ON BEHALF OF THE BOARD:



.....
F de C Hamilton - Trustee

Date: 7 February 2012

**Independent Examiner's Report to the Trustees of
Lennoxlove Book Festival**

I report on the accounts for the year ended 31 July 2011 set out on pages four to eight.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

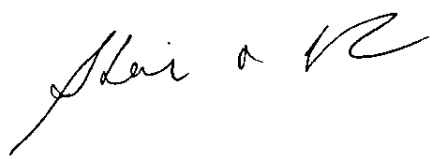
(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Sheila Robertson
Chartered Accountant (ICAS)
Gall Robertson CA
(inc. Dobson & Company)
Tweedside Park
Galashiels
Selkirkshire
TD1 3TE



Date: 7/2/2012

Lennoxlove Book Festival

**Statement of Financial Activities
for the Year Ended 31 July 2011**

		Year Ended 31.7.11 Unrestricted funds £	Period 3.7.09 to 31.7.10 Total funds £
	Notes		
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income		36,531	5,286
Activities for generating funds	2	80,235	34,578
Total incoming resources		116,766	39,864
RESOURCES EXPENDED			
Costs of generating funds			
Fundraising trading: cost of goods sold and other costs		110,376	35,656
Governance costs		902	600
Other resources expended		1,570	2,019
Total resources expended		112,848	38,275
NET INCOMING RESOURCES		3,918	1,589
RECONCILIATION OF FUNDS			
Total funds brought forward		1,589	-
TOTAL FUNDS CARRIED FORWARD		5,507	1,589

The notes form part of these financial statements

Lennoxlove Book Festival

**Balance Sheet
At 31 July 2011**

	Notes	31.7.11 Unrestricted funds £	31.7.10 Total funds £
CURRENT ASSETS			
Debtors	5	12,646	6,230
Cash at bank		15,646	11,319
		<u>28,292</u>	<u>17,549</u>
 CREDITORS			
Amounts falling due within one year	6	(22,785)	(15,960)
		<u>5,507</u>	<u>1,589</u>
NET CURRENT ASSETS			
		<u>5,507</u>	<u>1,589</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>5,507</u>	<u>1,589</u>
 NET ASSETS			
		<u>5,507</u>	<u>1,589</u>
 FUNDS			
Unrestricted funds	7	5,507	1,589
 TOTAL FUNDS			
		<u>5,507</u>	<u>1,589</u>

The notes form part of these financial statements

Lennoxlove Book Festival

Balance Sheet - continued

At 31 July 2011

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2011.

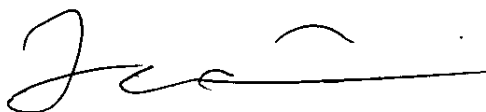
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 July 2011 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 7 February 2012 and were signed on its behalf by:



.....
F de C Hamilton -Trustee

Lennoxlove Book Festival

Notes to the Financial Statements for the Year Ended 31 July 2011

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. ACTIVITIES FOR GENERATING FUNDS

	Year Ended 31.7.11 £	Period 3.7.09 to 31.7.10 £
Ticket and book sales	59,835	32,578
Sponsorships	20,400	2,000
	<u>80,235</u>	<u>34,578</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2011 nor for the period ended 31 July 2010.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 July 2011 nor for the period ended 31 July 2010.

4. STAFF COSTS

	Year Ended 31.7.11 £	Period 3.7.09 to 31.7.10 £
Wages and salaries	<u>4,088</u>	<u>350</u>

Lennoxlove Book Festival

Notes to the Financial Statements - continued for the Year Ended 31 July 2011

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.11	31.7.10
	£	£
Trade debtors	2,400	-
Amounts owed by participating interests	6,335	6,230
Other debtors	3,911	-
	<u>12,646</u>	<u>6,230</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.11	31.7.10
	£	£
Trade creditors	2,000	-
Other creditors	20,785	15,960
	<u>22,785</u>	<u>15,960</u>

7. MOVEMENT IN FUNDS

	At 1.8.10	Net movement in funds	At 31.7.11
	£	£	£
Unrestricted funds			
General fund	1,589	3,918	5,507
	<u>1,589</u>	<u>3,918</u>	<u>5,507</u>
TOTAL FUNDS	<u>1,589</u>	<u>3,918</u>	<u>5,507</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	116,766	(112,848)	3,918
	<u>116,766</u>	<u>(112,848)</u>	<u>3,918</u>
TOTAL FUNDS	<u>116,766</u>	<u>(112,848)</u>	<u>3,918</u>

8. RELATED PARTY DISCLOSURES

During the year under review the company made payments to two trustees (£4,700 to Alistair Moffat and £6,450 to Paula Ogilvie) together with StonehillSalt PR (£23,295 StonehillSalt PR being Nicky Stonehill and Rebecca Salt) as part compensation for their contributions in skill and experience in the field of literary festivals. These payments took the form of fees to self-employed individuals, not wages. The amounts were approved in advance by the board. The trustees of Lennoxlove Book Festival are neither paid nor salaried for their trusteeships.

For their work on the 2010 Lennoxlove Book Festival a one-off wage of £187.50 was paid to Beth and Helen Moffat (daughters of Mr Alistair Moffat) and £300 was paid to David Ogilvie and £375 was paid to Gavin Ogilvie (husband and son respectively of Mrs Paula Ogilvie).

Lennoxlove Book Festival
Detailed Statement of Financial Activities
for the Year Ended 31 July 2011

	Year Ended 31.7.11 £	Period 3.7.09 to 31.7.10 £
INCOMING RESOURCES		
Voluntary income		
Donations	1,050	-
Subscriptions	95	286
Grants	35,386	5,000
	<hr/> 36,531	<hr/> 5,286
Activities for generating funds		
Ticket and book sales	59,835	32,578
Sponsorships	20,400	2,000
	<hr/> 80,235	<hr/> 34,578
Total incoming resources	116,766	39,864
RESOURCES EXPENDED		
Fundraising trading: cost of goods sold and other costs		
Purchases	386	552
Wages	4,088	350
Advertising, printing and publishing	17,141	4,852
Other office and contractors' expenses	28,013	7,207
Consultancy event fees	40,585	15,860
Writers' fees and expenses	20,163	6,835
	<hr/> 110,376	<hr/> 35,656
Governance costs		
Accountancy	674	600
Support costs		
Finance		
Bank charges	228	69
Other		
Rates and water	1,570	1,570
Insurance	-	380
	<hr/> 1,570	<hr/> 1,950
Total resources expended	112,848	38,275
Net income	<hr/> <hr/> 3,918	<hr/> <hr/> 1,589

This page does not form part of the statutory financial statements