

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

**Report of the Trustees and
Financial Statements For The Period 3 July 2009 to 31 July 2010
for
Lennoxlove Book Festival**

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



Lennoxlove Book Festival

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for the Period 3 July 2009 to 31 July 2010

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Lennoxlove Book Festival

Report of the Trustees for the Period 3 July 2009 to 31 July 2010

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 period 3 July 2009 to 31 July 2010. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

INCORPORATION

The charitable company was incorporated on 3 July 2009 and commenced trading on 24 August 2009.

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	- appointed 3.7.09
A Moffat	- appointed 3.7.09
P Ogilvie	- appointed 3.7.09
N J Stonehill	- appointed 3.7.09
R E A Salt	- appointed 3.7.09

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.

Lennoxlove Book Festival

Report of the Trustees for the Period 3 July 2009 to 31 July 2010

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.

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.

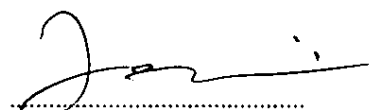
ACHIEVEMENT AND PERFORMANCE

The company's first book festival took place at Lennoxlove on 13-14 November 2009. It included a total of 13 author events, presented by writers and performers of national and international renown. Ticket sales for this first festival numbered some 3,000 - well ahead of initial expectations. Valuable financial support was provided by East Lothian Council together with commercial sponsors. Media coverage was extensive and favourable, and local companies enjoyed good business from the festival. In the opinion of the Board, Lennoxlove Book Festival had a successful first year as regards meeting its cultural objectives and generating a positive local economic impact.

FINANCIAL REVIEW

In the year of the first Lennoxlove Book Festival, the company's income amounted to £39,864 against total expenditure of £38,275, resulting in a small profit of £1,589. Ticket sales totalled nearly £29,000 and book sales (at the Festival bookshop) of £4,840. The main cost items were fees paid to self-employed consultants (for work on the festival), Lennoxlove House for use of the premises, sound and lighting contractors, and speakers at the Festival. The company would have recorded a loss in its first year without a grant of £5,000 from East Lothian Council.

ON BEHALF OF THE BOARD:



F de C Hamilton - Trustee

Date: 27 March 2011

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

I report on the accounts for the period 3 July 2009 to 31 July 2010 set out on pages four to seven.

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.

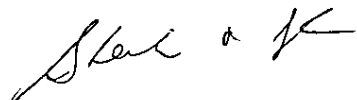
Independent examiner's statement

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: 23/3/2011

Lennoxlove Book Festival

Statement of Financial Activities
for the Period 3 July 2009 to 31 July 2010

	Notes	Unrestricted funds £
INCOMING RESOURCES		
Incoming resources from generated funds		
Voluntary income		5,286
Activities for generating funds	2	<u>34,578</u>
Total incoming resources		39,864
 RESOURCES EXPENDED		
Costs of generating funds		
Fundraising trading: cost of goods sold and other costs		35,656
Governance costs		600
Other resources expended		<u>2,019</u>
Total resources expended		38,275
 NET INCOMING RESOURCES		<u>1,589</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>1,589</u></u>

The notes form part of these financial statements

Lennoxlove Book Festival

Balance Sheet At 31 July 2010

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

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 July 2010.

The members have not required the charitable company to obtain an audit of its financial statements for the period ended 31 July 2010 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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 27 March 2011 and were signed on its behalf by:



F de C Hamilton -Trustee

The notes form part of these financial statements

Notes to the Financial Statements
for the Period 3 July 2009 to 31 July 2010

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

	£
Ticket and book sales	32,578
Sponsorships	<u>2,000</u>
	<u><u>34,578</u></u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 July 2010.

Trustees' Expenses

There were no trustees' expenses paid for the period ended 31 July 2010.

4. STAFF COSTS

	£
Wages and salaries	<u>350</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Amounts owed by participating interests	<u><u>6,230</u></u>

Lennoxlove Book Festival

Notes to the Financial Statements - continued
for the Period 3 July 2009 to 31 July 2010

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Other creditors	£ <u>15,960</u>
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7. MOVEMENT IN FUNDS

	At 3.7.09 £	Net movement in funds £	At 31.7.10 £
Unrestricted funds			
General fund	-	1,589	1,589
	<u>-</u>	<u>1,589</u>	<u>1,589</u>
TOTAL FUNDS	<u>-</u>	<u>1,589</u>	<u>1,589</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	39,864	(38,275)	1,589
	<u>39,864</u>	<u>(38,275)</u>	<u>1,589</u>
TOTAL FUNDS	<u>39,864</u>	<u>(38,275)</u>	<u>1,589</u>

8. RELATED PARTY DISCLOSURES

During the year under review the company made payments to four trustees (£3760 to Alistair Moffat, £3200 to Paula Ogilvie, £3200 to Nicky Stonehill and £3200 to Rebecca Salt) as part compensation for their skills and experience in the field of literary festivals. At the year-end outstanding balances due to the trustees were £1760 to Alistair Moffat, £1200 to Paula Ogilvie, £1200 to Nicky Stonehill and £1200 to Rebecca Salt. All these payments took the form of fees to self-employed individuals, not wages. The amounts were fully approved in advance by the board. The trustees are neither paid nor salaried for their trusteeships.

Similarly, for their work on the 2009 Book Festival, one-off wages of £50 each were paid to Beth Moffat and Helen Moffat (daughters of Alistair Moffat), Gavin Ogilvie and Grant Ogilvie (sons of Paula Ogilvie) and David Ogilvie (husband of Paula Ogilvie).

Three trustees of Lennoxlove Book Festival, Alistair Moffat, Paula Ogilvie and Francis Hamilton, are currently also trustees on the board of Borders Book Festival, which charged the company a consultancy fee of £2500 during the year.

Lennoxlove Book Festival

Detailed Statement of Financial Activities
for the Period 3 July 2009 to 31 July 2010

£

INCOMING RESOURCES

Voluntary income

Subscriptions	286
Grants	<u>5,000</u>
	5,286

Activities for generating funds

Ticket and book sales	32,578
Sponsorships	<u>2,000</u>
	<u>34,578</u>

Total incoming resources	39,864
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RESOURCES EXPENDED

Fundraising trading: cost of goods sold and other costs

Purchases	552
Wages	350
Advertising, printing and publishing	4,852
Other office and contractors' expenses	7,207
Consultancy event fees	15,860
Writer's fees and expenses	<u>6,835</u>
	35,656

Governance costs

Accountancy	600
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Support costs

Finance

Bank charges	69
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Other

Rates and water	1,570
Insurance	<u>380</u>

1,950

Total resources expended	38,275
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Net income	<u>1,589</u>
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