

**FCA Registered number
RS007584**

**BOVEY TRACEY
PARADISO ARTS LIMITED**

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
30 JUNE 2023**

Bovey Tracey Paradiso Arts Limited
Annual Report and Financial Statements
For the year ended 30 June 2023

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Bovey Tracey Paradiso Arts Limited
Annual Report and Unaudited Financial Statements
For the year ended 30 June 2023

Society Information

Chairman

Mr D McGahey

Directors

Mr R Bull
Dr M Edwards
Mr G Fice
Mr A Huckerby
Ms J McDowell
Mr D McGahey
Mr B Rodrick
Mr S Willmore
Miss V Yates

Society Secretary

Mr G Fice

Registered office

83 Fore Street
Bovey Tracey
Newton Abbot
Devon
TQ13 9AB

Accountants

The Alanbrookes Group Ltd
Studio 24
The Glove Factory
Holt
Wiltshire
BA14 6RL

Charity tax reference

5485900394

Bovey Tracey Paradiso Arts Limited
Annual Report and Financial Statements
For the year ended 30 June 2023

Directors' Report for the Year Ended 30 June 2023

The directors present their report and the financial statements for the year ended 30 June 2023.

Directors of the society

The directors who held office during the year were as follows:

David Alexander (resigned 3 July 2023)
Richard Bull (appointed 20 February 2023)
Susan Bradshaw (resigned 24 April 2023)
Marion Edwards (appointed 20 February 2023)
Graham Fice (appointed 20 February 2023)
James Glen (resigned 31 May 2023)
Andrew Huckerby
Janine McDowell (appointed 20 February 2023)
David McGahey
Ben Rodrick (appointed 24 April 2023)
Victoria Yates (appointed 24 April 2023)
Stephen Willmore

Principal activity

The principal activity of the society is to establish and operate a community arts and entertainment centre.

There has been significant progress during the financial year to 30 June 2023 in fulfilling the vision of the grade II listed, former King of Prussia, pub as a vibrant community arts centre for Bovey Tracey and the surrounding areas.

A number of new Directors joined the Board, bringing a wide range of experience, skills and commitment to the development of Bovey Tracey Paradiso Arts.

A significant event during the year was the opening of the cafe/restaurant, initially on a trial basis. The operation of the cafe/restaurant is managed through the wholly-owned Community Interest Company (CIC) which will in due course pass all profits to the Community Benefit Society.

A milestone in the development of the building was reached, practically and symbolically, with installation of the new glass roof. This will provide an imposing space for the re-opened café/restaurant but the glass roof is also symbol in the development: a bridge between the original King of Prussia building and the new auditorium to be constructed the rear of the building.

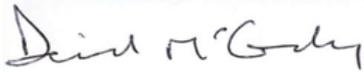
Following significant effort in a national bidding process, and with the support of Mel Stride MP, Bovey Tracey Paradiso Arts was delighted to be awarded £200,000 by the Department for Levelling Up, Housing and Communities as part of the Community Ownership Fund. This funding, which is matched by Paradiso's own fundraising, will enable a good start to be made on building the new auditorium to house a cinema and theatre seating nearly 100. It will also allow for some outstanding work to be completed such as opening the main entrance doors and repainting the outside of the building.

This major move forward towards the building of the auditorium has also been marked by the signing of a Memorandum of Understanding with the Bovey Tracey Players and by the appointment of Patrice Naimbana as the first Patron of Bovey Tracey Paradiso Arts. An actor with extensive experience on stage and screen, and passionate about working with the community, Patrice will help take the work of Paradiso forward in Bovey Tracey and surrounding areas.

Community outreach is already building in scale with a very popular Cinema Club being run on a monthly basis in a nearby hall until such time as the cinema can be fully operational. With an ongoing regular series of exhibitions, art continues to thrive with a potential Memorandum of Understanding with the Bovey Tracey Society of Artists near completion.

Paradiso is being developed in part response to priorities in the Bovey Parish Neighbourhood Plan which identified the need for an arts centre, cinema and theatre to improve cultural facilities, to improve community engagement, and to help promote the area to visitors. When complete Paradiso will also provide employment. The Directors are grateful for the support of Bovey Tracey Town Council in working jointly to take the Neighbourhood Plan forward. To take part of the motto of the town of Bovey Tracey, the Directors 'look forward with confidence' to the completion of the development of Paradiso with full operations for the gallery, the cinema and theatre, and the café/restaurant.

Approved by the Board and signed on its behalf by:



Mr D McGahey (Chairman)

Date: 6 November 2023

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society and of the profit or loss of the Society for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Society's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BOVEY TRACEY PARADISO ARTS LIMITED

Opinion

We have audited the financial statements of Bovey Tracey Paradiso Arts Limited (the 'Society') for the year ended 30th June 2023, which comprise the Profit and Loss Account, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 30th June 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Co-operative and Community Benefit Societies Act 2014.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Society and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Company and industry, we evaluated that the principal risks of non-compliance with laws and regulations related to UK tax legislation, Health and Safety Executive legislation, Data Protection legislation, Employment legislation and Environmental legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including override of controls). Audit procedures performed included:

- Evaluating management's controls designed to prevent and detect irregularities;
- Substantive testing of specific transactions and balances.

Although we have nothing adverse to report in terms of the results of the procedures listed above, there are inherent limitations in such procedures. We are less likely to become aware of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Society's members, as a body, in accordance with the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Fisher BA FCA (Senior Statutory Auditor)

for and on behalf of
The Alanbrookes Group Ltd

Chartered Accountants

24 Glove Factory Studios
1 Brook Lane
Holt
Wiltshire BA14 6RL

6th November 2013

Date:

Bovey Tracey Paradiso Arts Limited
Annual Report and Financial Statements
Profit and Loss Account for the year ended 30 June 2023

| | 2023 | 2022 | 2021 | 2022 | 2019 |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|
| | £ | £ | £ | £ | £ |
| Turnover | 13,978 | 11,319 | 391 | - | - |
| Administrative expenses | (57,142) | (38,362) | (66,854) | (66,854) | (43,625) |
| Other operating income | 81,418 | 113,647 | 140,254 | 140,254 | 23,113 |
| Operating profit/(loss) | <u>38,254</u> | <u>86,604</u> | <u>73,791</u> | <u>73,400</u> | <u>(20,512)</u> |
| Profit/(loss) before tax | <u>38,254</u> | <u>86,604</u> | <u>73,791</u> | <u>73,400</u> | <u>(20,512)</u> |
| Profit/(loss) for the financial year | <u><u>38,254</u></u> | <u><u>86,604</u></u> | <u><u>73,791</u></u> | <u><u>73,400</u></u> | <u><u>(20,512)</u></u> |

The above results were derived from continuing operations.

The society has no recognised gains or losses for the year other than the results above.

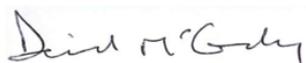
**Bovey Tracey Paradiso Arts
Limited**
(Registration number
RS007584)
Balance Sheet as at 30 June
2023

| | Notes | 2023 £ | 2022 £ | 2021 £ | 2020 £ | 2019 £ |
|--|-------|-----------|-----------|-----------|-----------|-----------|
| Fixed Assets | | | | | | |
| Tangible assets | 3 | 806,157 | 656,254 | 534,498 | 468,817 | 278,660 |
| Current assets | | | | | | |
| Stock | | 412 | 314 | 0 | 200 | - |
| Debtors | 4 | 13,489 | 13,352 | 4,534 | 2,327 | - |
| Cash at bank and in hand | | 49,270 | 121,456 | 124,304 | 32,761 | 130,071 |
| | | 63,171 | 135,122 | 128,838 | 35,288 | 130,071 |
| Creditors: Amounts falling due within one year | 5 | (77,510) | (37,812) | (104,126) | (18,686) | (3,085) |
| Net current assets | | (14,339) | 97,310 | 24,712 | 16,602 | 126,986 |
| Net assets | | 791,818 | 753,564 | 559,210 | 485,419 | 405,646 |
| Capital and reserves | | | | | | |
| Called up share capital | 6 | 571,850 | 571,850 | 464,100 | 464,100 | 464,100 |
| Profit and loss account | | 219,968 | 181,714 | 95,110 | 21,319 | (58,454) |
| Total equity | | 791,818 | 753,564 | 559,210 | 485,419 | 405,646 |

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board and signed on its behalf by:

Date: 6 November 2023



Mr D McGahey
Chairman



Mr G Fice
Director and Society Secretary



Mr A Huckerby
Director

1. General information

The Society is constituted as a Community Benefit Society under the Co-operative and Community Benefit Societies Act 2014.

The address of its registered office is:

83 Fore Street
Bovey Tracey
Newton Abbot
Devon
TQ13 9AB
United Kingdom

These financial statements were authorised for issue by the Board on 08/12/23

2. Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section IA - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The average number of employees during the period was one.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the society's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The society recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

Other grants

Grants which relate to revenue are recognised in income in the period the related costs are incurred by the entity for which the grant is intended to compensate. For grants which are received by the entity for compensation for expenses or losses which have already been incurred, the grant is recognised in income when it is received or receivable.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|--|------------------------------|
| Land and buildings | Not depreciated |
| Furniture, fittings, plant and equipment | 20% |

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Bovey Tracey Paradiso is a separate trading subsidiary and is a Community Interest Company Limited by Guarantee. This company operated as a café/restaurant during the year.

Stocks

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

The shares cannot be sold or traded. They may at the discretion of the Directors and subject to any statements in share offers, a share withdrawal policy or the law be withdrawn. The full price paid for the shares is not withdrawable if the Society does not have sufficient funds available at the time. In some circumstances the Directors may write down the value of the shares and in these circumstances only the written down value will be received.

3. Tangible assets

| | Land & Buildings | Furniture, fittings, plant and equipment | Total |
|------------------------|---------------------------------|---|----------------|
| | £ | £ | £ |
| Cost or valuation | | | |
| At 1 July 2022 | 640,865 | 17,174 | 658,039 |
| Additions | 124,650 | 39,254 | 163,904 |
| At 30 June 2023 | <u>765,515</u> | <u>56,428</u> | <u>821,943</u> |
| Depreciation | | | |
| At 1 July 2022 | 0 | 1,785 | 1,785 |
| Charge | 0 | 14,001 | 14,001 |
| At 30 June 2023 | <u>0</u> | <u>15,786</u> | <u>15,786</u> |
| Carrying amount | | | |
| At 30 June 2023 | <u>765,515</u> | <u>40,642</u> | <u>806,157</u> |
| At 30 June 2022 | <u>640,865</u> | <u>15,389</u> | <u>656,254</u> |

4. Debtors

| | 2023 | 2022 |
|---------------------------|---------------|---------------|
| | £ | £ |
| Trade Debtors | 350 | 226 |
| VAT Receivable | 12,756 | 13,126 |
| Bovey Tracey Paradiso CIC | 383 | 0 |
| | <u>13,489</u> | <u>13,352</u> |

5. Creditors

Creditors: amounts falling due within one year

| | 2023 | 2022 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Due within one year | | |
| Trade creditors | 14,500 | 37,327 |
| Taxation and social security | 195 | 35 |
| Accruals and deferred income | 815 | 450 |
| Loans | 62,000 | 0 |
| | <u>77,510</u> | <u>37,812</u> |

Bovey Tracey Paradiso Arts Limited
Annual Report and Financial
Statements

Detailed Profit and Loss Account for the year ended 30 June 2023

This page is for the information of the members only and does not form part of the filed financial statements

| | 2023 £ | 2022 £ | 2021 £ | 2020 £ | 2019 £ |
|---|--------------|--------------|--------------|--------------|----------------|
| Turnover | 13,978 | 11,319 | 391 | 0 | 0 |
| Administrative expenses | | | | | |
| Audit and accountancy and other services | 840 | 450 | 450 | 800 | 850 |
| Advertising, promotions and marketing costs | 161 | 674 | 1,120 | 753 | 0 |
| Payroll costs | 14,449 | 14,205 | | 11 | 92 |
| Utilities costs | 6,837 | 2,118 | 603 | 0 | 137 |
| Other repairs and maintenance costs | 14,572 | 5,385 | 35,461 | 8,116 | 8,290 |
| Consultancy costs | 0 | 7,309 | 21,272 | 24,979 | 21,445 |
| Legal and professional costs | 0 | 13 | 35 | 8,969 | 9,014 |
| Bank charges | 710 | 613 | 280 | 285 | 626 |
| Insurance costs | 2,643 | 1,967 | 2,621 | 2,767 | 2,625 |
| IT and computer | 2,464 | 2,630 | 2,478 | 620 | 290 |
| Printing, postage and stationery | 0 | 359 | 640 | 27 | 189 |
| Subscriptions | 320 | 300 | 897 | 651 | 67 |
| Gallery expenses | 1,365 | 1,458 | 118 | | |
| Bad debt write offs | (1,220) | 0 | 0 | 0 | 0 |
| Depreciation | 14,001 | 881 | 881 | 23 | 0 |
| | <hr/> 57,142 | <hr/> 38,362 | <hr/> 66,855 | <hr/> 48,001 | <hr/> 43,625 |
| Other operating income | | | | | |
| Grants and donations | 81,418 | 113,647 | 140,254 | 127,774 | 23,113 |
| | <hr/> 38,254 | <hr/> 86,604 | <hr/> 73,791 | <hr/> 79,773 | <hr/> (20,512) |
| Profit/(Loss) for the financial year | <hr/> <hr/> |