

**REPORT OF THE TRUSTEES AND UNAUDITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
FOR
N K THEATRE ARTS**

D Wilson & Co
21, Charnwood Avenue
Denton
Manchester
M34 2WY

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2023. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Activities

The principal activity of the charity continues to be that of providing the opportunity for people of all ages, irrespective of ability, disability, status or culture to realise their full potential through the exploration of performing arts. This will be undertaken within an environment where individuals are not labelled and all members are given an equal opportunity to grow and enjoy the concept of arts for all. Our aim is to promote self-belief and dispel self-doubt, enabling people to be heard who might otherwise be overlooked.

We provide a base for other local community organisations and performing arts societies with a high quality space for cultural events.

Our outreach programme delivers social and issue based presentations to children, young people and vulnerable adults delivering pertinent issues in partnership with institutions such as The NSPCC and the police.

In deciding which activities to undertake the trustees have paid due regard to the Charity Commission's guidance on public benefit.

Policies and organisation

N K Theatre Arts has a board of Trustees consisting of interested individuals and volunteer representatives. The Trustees bring a broad range of expertise to the organisation covering finance and banking, strategic management, HR, Safeguarding. The Board has specific sub-groups, which are mandated to plan and review certain areas of work, which report to the full board.

ACHIEVEMENT AND PERFORMANCE

Income and Expenditure Summary

The company accounts show a surplus for the year of £13,388 up from £8,028 in the previous year. Our turnover increased from just over £500,000 to £760,000 an increase of just over 50%.

Grants and donations were significantly lower this year, with covid payments ending and the vast majority of our income now due to charitable activities.

Subs and Membership accounted for just under 10% of our income, internal events brought in just under 17% of income as per the previous year, with theatre hire and hirer ticket income yielding 40% of our income up from 25% the previous year. Bar and refreshment sales brought in just under 20% of our income, similar to previous years.

Membership and Workshops:

We worked with 282 children and young people as part of our Performing Arts Workshops this year. This saw an increase of over 70% in terms of growth. We are absolutely delighted with this significant increase. This is also greater than our pre-pandemic levels, the greatest number we have worked with in one single season.

Forum Theatre

There were 44 external organisations who performed at to the theatre to present their shows and events this year. There was a total delivery of 111 public performances by external organisations. This has more than doubled compared to the 55 events the previous year. There was also 52 separate internal performances undertaken by NK Theatre Arts, less than the previous campaign with more space becoming available to external organisations.

Including performances by ourselves, there were a total of 14 organisations based in Stockport who used The Forum Theatre for public events, plus an additional 17 from Greater Manchester and there were 14 national organisations presenting shows from The Forum Theatre. This included household names such as Lulu, Francis Rossi and Dom Jolly.

Moving forward to next year, we are likely to increase the external performances which take place and will be welcoming over 20 Stockport organisations to The Forum.

Social Media

Across our social media platforms, we now have over 10,000 followers and our dedicated mail list for events promotion has grown to 9,084.

FINANCIAL REVIEW

Investment policy

The charity places any surplus funds on deposit in an interest bearing bank account.

Financial review and reserves

The board of trustees are responsible for the financial management policies. Annual budgets are prepared and approved at the commencement of each year and actual incoming and outgoing resources are monitored at regular intervals.

The charity's funding stream is primarily subscriptions, sponsorship, grants and donations, bar takings, shows and theatre hire.

Income has increased significantly to £773,671 (2022 – 502,677) with Expenditure at £760,283 (2022 - £494,649).

Net surplus resources for the year is £13,388 (2022 - £8,028)

Unrestricted funds are £234,682 (2022 - £221,294) and the trustees consider this level needs to be maintained to enable the effective financial management of its activities at their present level.

Given the overall situation regarding the post Covid-19 pandemic and the devastating effect it has had on the theatre industry specifically, the Trustees are satisfied with the performance of the Charity and are pleased to have secured an increased surplus this year as we dramatically increased our turnover. The Trustees would like to place on record their thanks to the staff and volunteers who have supported the company throughout this period of uncertainty.

PLANS FOR FUTURE PERIODS

The board looks optimistically forward to the coming year.

We remain in discussion with Stockport MBC regarding the long-term future of The Forum Theatre and plans beyond our existing lease, which finishes in 2033.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

Risks

The trustees have identified the major risks that the charity may be exposed to in the next financial year and have established strategies to manage those risks.

N K THEATRE ARTS

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1049259

Principal address
The Forum Theatre
Compstall Road
Romiley
Stockport
Cheshire
SK6 4EA

Trustees

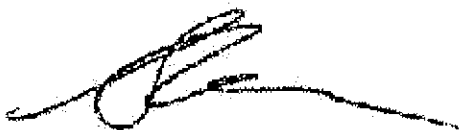
The Trustees who served during the year were as follows:

Stuart Dean (Chair)
Ann Wrigley (Vice Chair)
Peter Curran (Secretary)
Elizabeth Dunn
Richard Hall
Michael Lamont
Wendy Melkle
Leanne Thorniley
Julian Stafford.

The finances of the company are overseen by a Finance Committee comprising Stuart Dean, Michael Lamont and Darren Stannage.

The day to day management of the Charity is delegated by the charity trustees to Darren Stannage and the Management team.

Approved by order of the board of trustees on and signed on its behalf by:



.....
S Dean (Chair of Trustee Board)

**STATEMENT OF TRUSTEES RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources for that period. In preparing these financial statements, the trustees are required to:

- (a) select suitable accounting policies and apply them consistently;
- (b) observe the methods and principles in the charities SORP;
- (c) make judgements and estimates that are reasonable and prudent;
- (d) state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements;
- (e) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and then to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the rules. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF N K THEATRE ARTS

Independent examiner's report to the trustees of N K Theatre Arts

I report to the charity trustees on my examination of the accounts of N K Theatre Arts (the Trust) for the year ended 31 August 2023.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.



D Wilson & Co
21, Chamwood Avenue
Denton
Manchester
M34 2WY

Date: 30/10/23

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirement of Section 33 Related Party Disclosure paragraph 33.7.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Contracts and grants are reflected in the accounts when receivable.

Resources expended

Expenditure has been charged to the income and expenditure account on the accruals basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

Charitable expenditure comprises these costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the fees and costs linked to the strategic management of the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- Straight line over 5 years
Plant and machinery	- 20% reducing balance basis
Fixtures and fittings	- 10% reducing balance basis

1. ACCOUNTING POLICIES – continued

Taxation

The organisation is exempt from income tax by reason of its charitable status. Income tax suffered on investment income is reclaimed in full.

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.

Leasing commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Pension costs

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

N K THEATRE ARTS

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

		Restricted Funds 2023	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
	Notes				
INCOMING RESOURCES					
Sponsorships	2		2,204	2,204	3,345
Grants, donations and fundraising	3		39,398	39,398	92,863
Investment income	4		1,832	1,832	62
Income resources from charitable activities	5	30,000	674,189	704,189	385,500
Other income resources	6		26,048	26,048	20,907
TOTAL INCOMING RESOURCES		<u>30,000</u>	<u>743,671</u>	<u>773,671</u>	<u>502,677</u>
RESOURCES EXPENDED					
Cost of generating funds	7		344,272	344,272	271,559
Overheads in furtherance of charitable objectives	8		73,386	73,386	47,031
Costs of activities in furtherance of charitable objectives	9		308,889	308,889	128,054
Support and governance costs	10		10,515	10,515	16,895
Depreciation	13		23,221	23,221	31,110
TOTAL RESOURCES EXPENDED		<u>-</u>	<u>760,283</u>	<u>760,283</u>	<u>494,649</u>
NET INCOME / (EXPENDITURE)		30,000	(16,612)	13,388	.8,028
RECONCILIATION OF FUNDS					
Total funds brought forward			221,294	221,294	213,266
Contribution Funds to Seating					
TOTAL FUNDS CARRIED FORWARD		<u>30,000</u>	<u>204,682</u>	<u>234,682</u>	<u>221,294</u>


The notes form part of these financial statements

N K THEATRE ARTS

BALANCE SHEET
AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	13		79,670		93,603
CURRENT ASSETS					
Stocks	14	2,950		3,600	
Debtors	15	13,336		12,508	
Cash at bank and In hand		<u>207,697</u>		<u>162,190</u>	
		223,982		178,298	
CREDITORS					
Amounts falling due within one year	16	<u>68,970</u>		<u>50,607</u>	
NET CURRENT ASSETS			155,012		127,691
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>234,682</u>		<u>221,294</u>
FUNDS					
Unrestricted funds			204,682		221,294
Restricted funds			30,000		-
TOTAL FUNDS			<u>234,682</u>		<u>221,294</u>

The financial statements were approved by the Trustees on 15.1.23 and were signed on their behalf by:



Mr Stuart Dean - Chair of Trustee Board

N K THEATRE ARTS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. SPONSORSHIPS

	2023	2022
	£	£
Sponsorship Income - 1000 Club	<u>2,204</u>	<u>3,345</u>

3. GRANTS, DONATIONS AND FUNDRAISING

	2023	2022
	£	£
Grants, donations and fundraising	<u>39,398</u>	<u>92,863</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Interest received	<u>1,832</u>	<u>62</u>

5. INCOME RESOURCES FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Subscriptions and memberships	71,700	80,870
Workshops, shows and events	126,836	93,371
Theatre hire	27,258	21,497
External Ticket Income	329,017	107,370
Bar sales	148,072	101,900
Merchandising	1,306	492
	<u>704,189</u>	<u>385,500</u>

6. OTHER INCOME RESOURCES

	2023	2022
	£	£
Rent received - Café	20,878	13,335
Management charges - BRCA	0	3,858
Other Sundry Income	5,170	3,714
	<u>26,048</u>	<u>20,907</u>

7. COSTS OF GENERATING FUNDS

	2023	2022
	£	£
Staff salaries, national Insurance and pension costs	246,083	186,649
Self employed administrators	29,478	26,950
Freelance practitioners	4,733	10,124
BRCA Costs	3,402	3,199
Bar purchases	60,524	41,491
Refreshments	0	2,975
Travelling expenses	52	171
	<u>344,272</u>	<u>271,559</u>

N K THEATRE ARTS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. OVERHEADS IN FURTHERANCE OF CHARITABLE OBJECTIVES

	2023	2022
	£	£
Theatre hire	464	2,914
General rates	436	755
Heat, light and water	50,063	23,184
Training	4,081	-
Repairs and equipment	11,039	10,331
Cleaning	534	769
Health and safety costs	858	3,244
Telephone and Internet	1,681	1,575
Sanitation and waste	3,443	3,925
Sundry expenses	787	334
	<u>73,386</u>	<u>47,031</u>

9. COSTS OF ACTIVITIES IN FURTHERANCE OF CHARITABLE OBJECTIVES

	2023	2022
	£	£
Workshops, shows and events	62,571	52,498
External Promotor Exps	234,643	71,731
Merchandising	895	325
Publicity and advertising	4,435	2,553
Auditorium Seating Project	-	-
Sale of Equipment	-	-
Fundraising expenses	6,345	947
	<u>308,889</u>	<u>128,054</u>

10. SUPPORT AND GOVERNANCE COSTS

	2023	2022
	£	£
Insurances	3,816	6,287
Accountancy fees	325	325
Bank interest and charges	-	8
Credit card charges	2,621	2,514
Office Equipment	843	4,133
Postage, printing and stationery	654	1,551
Licence fees	2,256	2,077
Bad debts	-	-
	<u>10,515</u>	<u>16,895</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustees' remuneration paid In year to 31 August 2023 (Y.E. 31 August 2022 was nil)

There were no trustees' expenses paid for the years ended 31 August 2023 and 31 August 2022.

12. STAFF COSTS

The average number of employees during the year was 25 (2022 - 25). XXXXXX

No employees received emoluments in excess of £60,000.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

13. TANGIBLE FIXED ASSETS

	Land & Buildings £	Plant & Equipment £	Fixtures & Fittings £	Total £
COST				
At 1 September 2022	-	207,421	103,733	311,154
Additions	-	9,289	-	9,289
Disposals	-	-	-	-
At 31 August 2023	-	216,710	103,733	320,443
DEPRECIATION				
At 1 September 2022	-	166,684	50,867	217,551
Charge for year	-	10,005	13,216	23,221
Disposals	-	-	-	-
At 31 August 2023	-	176,689	64,083	240,772
NET BOOK VALUE				
At 31 August 2023	-	40,021	39,650	79,671
At 31 August 2022	-	40,737	52,866	93,603

14. STOCKS

	2023 £	2022 £
Bar	2,950	3,500
Merchandising	-	-
ices	-	100
	2,950	3,600

15. DEBTORS

	2023 £	2022 £
Trade debtors	4,835	4,508
Prepayments and accrued income	-	-
Gift aid debtor	8,500	8,000
	13,335	12,508

16. CREDITORS

	2023 £	2022 £
Trade creditors	59,758	44,427
Social security and other taxes	3,887	2,290
Accruals and deferred income	5,325	3,890
	68,970	50,607

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2023

