

**REPORT OF THE TRUSTEES AND UNAUDITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024
FOR**

N K THEATRE ARTS

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2024. 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

Opening Statement by the Trustee board.

This has been an extremely difficult year for the Charity. Upon the DFES shutting schools with Reinforced Autoclaved Aerated Concrete (RAAC), all local authorities were advised to check their portfolio and it became apparent that The Forum Theatre, the home of our Charity had significant areas of RAAC in its roof structure. There then followed strong advice from Stockport Council to close the theatre immediately whilst assessments were made and repairs carried out. This meant from early September 2023 until mid June 2024, the use of the theatre for workshops and performances was significantly impacted. The main auditorium of the theatre was closed throughout this period. With insurance not able to cover the losses due to the lack of an insured event, the Charity has made a significant and unforeseen loss for this financial year which has massively impacted the reserves of the organisation. These losses have prevented the regular reinvestment we would expect to make on equipment and facilities and we will seek during the forthcoming year to secure appropriate funds for this.

Long term planning

With “temporary repairs” and not long term replacement made to the structure of the building, we will be working closely with the local authority in the coming year as we look to formulate specific plans to secure the long term future of the Forum Theatre as a base for our Charity. The current lease between Stockport Council and NK Theatre Arts finishes in 2033.

Income and Expenditure Summary

The company accounts show a significant loss for the year of £123,569 down from a surplus of £13,388 in the previous year. Our turnover dropped from £760,000 to £370,545 a drop of over 50%. Although expenditure also fell, it was not proportionate due to the additional costs incurred in hiring alternative venues for workshops and productions.

Grants and donations were slightly up on the last 12 months, essentially due to funding received for improvements to our sound equipment which was upgraded over the summer. We were however extremely disappointed that funding of over £90,000 awarded to us could not be claimed as we were not in a position to fulfil terms of the grant award due to our closure.

Subscriptions and Membership rose to £79k and we were delighted that so many of our members remained with the company during such a difficult time.

A large proportion of our income this year arose from our Outreach projects which saw an income of over £50,000 for the company as we launched projects with prestigious partners such as the NSPCC. This level of income was welcome due to the income falls in so many other areas of the company such as productions, events, theatre hire and bar income.

Membership and Workshops:

We worked with 264 children and young people as part of our Performing Arts Workshops this year. Sessions were split over several different sites and it is a credit to the artistic team that so many members were attending despite the ongoing difficulties that the company faced.

Forum Theatre

The theatre was closed until June '24 meaning only 18 events took place during the year September – August. We are looking forward to welcoming our traditional partners for the coming 12 months as shows are postponed and re-arranged as opposed to cancelled.

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 fell significantly to £370,545 (2023 – £773,661) with Expenditure at £494,144 (2023 - £760,283).

Net loss for the year is £123,569 (2023 - £13,388 surplus)

Unrestricted funds are £111,113 (2023 - £234,682) and the trustees accept that the company need to return to a surplus trading situation in the next financial year to enable the effective financial management of its activities at their present level.

Given the overall situation regarding the closure of The Forum for such a large period of time, such losses were predicted at the beginning of the year. It is also acknowledged that without the growth of our Outreach programme, developing key relationships with organisations such as The NSPCC in the process and the ongoing support of our members who remained loyal to the organisation, those losses would have been far greater.

We also thank Stockport Council for finding the funding necessary to repair the public areas of the building, which allowed us to operate events once again to see increase in income towards the end of the year.

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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

PLANS FOR FUTURE PERIODS

The board looks optimistically forward to the coming year with a busy programme of events which should ensure a high level of turnover.

We remain in discussion with Stockport MBC regarding the long-term future of The Forum Theatre which is key to the sustainability of our Charity.

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 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1049259

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

Trustees

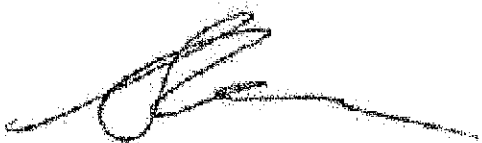
The Trustees who served during the year were as follows:

Stuart Dean (Chair)
Ann Wrigley (Vice Chair)
Peter Curran (Secretary)
Elizabeth Dunn
Richard Hall
Michael Lamont
Wendy Meikle
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 2024**

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 them 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 2024.

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, Charnwood Avenue
Denton
Manchester
M34 2WY

Date: 24/1/25

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

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 |

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 2024

| | Notes | Restricted Funds 2024 | Unrestricted Funds 2024 £ | Total Funds 2024 £ | Total Funds 2023 £ |
|---|-------|-----------------------------|------------------------------------|-----------------------------|-----------------------------|
| INCOMING RESOURCES | | | | | |
| Sponsorships | 2 | | 4,171 | 4,171 | 2,204 |
| Grants, donations and fundraising | 3 | | 48,427 | 48,427 | 39,398 |
| Investment income | 4 | | 2,408 | 2,408 | 1,832 |
| Income resources from charitable activities | 5 | - | 298,935 | 298,935 | 704,189 |
| Other income resources | 6 | | 16,604 | 16,604 | 26,048 |
| TOTAL INCOMING RESOURCES | | <u>-</u> | <u>370,545</u> | <u>370,545</u> | <u>773,671</u> |
| RESOURCES EXPENDED | | | | | |
| Cost of generating funds | 7 | | 272,705 | 272,705 | 344,272 |
| Overheads in furtherance of charitable objectives | 8 | | 55,321 | 55,321 | 73,386 |
| Costs of activities in furtherance of charitable objectives | 9 | | 129,966 | 129,966 | 308,889 |
| Support and governance costs | 10 | | 11,063 | 11,063 | 10,515 |
| Depreciation | 13 | | 25,059 | 25,059 | 23,221 |
| TOTAL RESOURCES EXPENDED | | <u>-</u> | <u>494,114</u> | <u>494,114</u> | <u>760,283</u> |
| NET INCOME / (EXPENDITURE) | | - | (123,569) | (123,569) | 13,388 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | | 234,682 | 234,682 | 221,294 |
| Contribution Funds to Seating | | | | | |
| TOTAL FUNDS CARRIED FORWARD | | <u>-</u> | <u>111,113</u> | <u>111,113</u> | <u>234,682</u> |

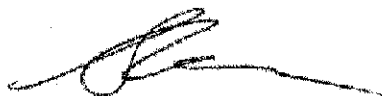
The notes form part of these financial statements

N K THEATRE ARTS

BALANCE SHEET
AT 31 AUGUST 2024

| | Notes | 2024 £ | £ | 2023 £ | £ |
|--|-------|----------------|----------------|----------------|----------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 13 | | 88,468 | | 79,670 |
| CURRENT ASSETS | | | | | |
| Stocks | 14 | 5,220 | | 2,950 | |
| Debtors | 15 | 1,736 | | 13,335 | |
| Cash at bank and in hand | | 96,411 | | 207,697 | |
| | | <u>103,367</u> | | <u>223,982</u> | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 16 | <u>80,722</u> | | <u>68,970</u> | |
| NET CURRENT ASSETS | | | 22,645 | | 155,012 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>111,113</u> | | <u>234,682</u> |
| FUNDS | | | | | |
| Unrestricted funds | | | 111,113 | | 234,682 |
| Restricted funds | | | - | | - |
| TOTAL FUNDS | | | <u>111,113</u> | | <u>234,682</u> |

The financial statements were approved by the Trustees on 24/1/25 and were signed on their behalf by:



Stuart Dean - Chair of Trustee Board

N K THEATRE ARTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

2. SPONSORSHIPS

| | 2024 | 2023 |
|--------------------------------|--------------|--------------|
| | £ | £ |
| Sponsorship income - 1000 Club | <u>4,171</u> | <u>2,204</u> |

3. GRANTS, DONATIONS AND FUNDRAISING

| | 2024 | 2023 |
|-----------------------------------|---------------|---------------|
| | £ | £ |
| Grants, donations and fundraising | <u>48,427</u> | <u>39,389</u> |

4. INVESTMENT INCOME

| | 2024 | 2023 |
|-------------------|--------------|--------------|
| | £ | £ |
| Interest received | <u>2,408</u> | <u>1,832</u> |

5. INCOME RESOURCES FROM CHARITABLE ACTIVITIES

| | 2024 | 2023 |
|-------------------------------|----------------|----------------|
| | £ | £ |
| Subscriptions and memberships | 79,853 | 71,700 |
| Workshops, shows and events | 97,476 | 126,836 |
| Theatre hire | 4,427 | 27,258 |
| External Ticket Income | 87,900 | 329,017 |
| Bar sales | 28,739 | 148,072 |
| Merchandising | 540 | 1,306 |
| | <u>298,935</u> | <u>704,189</u> |

6. OTHER INCOME RESOURCES

| | 2024 | 2023 |
|---------------------------|---------------|---------------|
| | £ | £ |
| Rent received - Café | 15,997 | 20,878 |
| Management charges - BRCA | 0 | 0 |
| Other Sundry Income | 607 | 5,170 |
| | <u>16,604</u> | <u>26,048</u> |

7. COSTS OF GENERATING FUNDS

| | 2024 | 2023 |
|--|----------------|----------------|
| | £ | £ |
| Staff salaries, national insurance and pension costs | 225,134 | 246,083 |
| Self employed administrators | 32,760 | 29,478 |
| Freelance practitioners | 830 | 4,733 |
| BRCA Costs | 0 | 3,402 |
| Bar purchases | 12,439 | 60,524 |
| Refreshments | 1,542 | 0 |
| Travelling expenses | 0 | 52 |
| | <u>272,705</u> | <u>344,272</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

8. OVERHEADS IN FURTHERANCE OF CHARITABLE OBJECTIVES

| | 2024 | 2023 |
|-------------------------|---------------|---------------|
| | £ | £ |
| Theatre hire | 5,947 | 484 |
| General rates | 10,994 | 436 |
| Heat, light and water | 21,697 | 50,063 |
| Training | - | 4,081 |
| Repairs and equipment | 6,375 | 11,039 |
| Cleaning | 753 | 534 |
| Health and safety costs | 1,289 | 858 |
| Telephone and internet | 2,983 | 1,681 |
| Sanitation and waste | 5,203 | 3,443 |
| Sundry expenses | 80 | 787 |
| | <u>55,321</u> | <u>73,386</u> |

9. COSTS OF ACTIVITIES IN FURTHERANCE OF CHARITABLE OBJECTIVES

| | 2024 | 2023 |
|-----------------------------|----------------|----------------|
| | £ | £ |
| Workshops, shows and events | 64,680 | 62,571 |
| External Promotor Exps | 55,592 | 234,643 |
| Merchandising | 728 | 895 |
| Publicity and advertising | 4,144 | 4,435 |
| Auditorium Seating Project | - | - |
| Sale of Equipment | - | - |
| Fundraising expenses | 4,822 | 6,345 |
| | <u>129,966</u> | <u>308,889</u> |

10. SUPPORT AND GOVERNANCE COSTS

| | 2024 | 2023 |
|----------------------------------|---------------|---------------|
| | £ | £ |
| Insurances | 4,473 | 3,816 |
| Accountancy fees | 350 | 325 |
| Bank interest and charges | - | - |
| Credit card charges | 1,486 | 2,621 |
| Office Equipment | 1,784 | 843 |
| Postage, printing and stationery | 718 | 654 |
| Licence fees | 2,252 | 2,256 |
| Bad debts | - | - |
| | <u>11,063</u> | <u>10,515</u> |

11. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustees' remuneration paid in year to 31 August 2024 (Y.E. 31 August 2023 was nil)

There were no trustees' expenses paid for the years ended 31 August 2024 and 31 August 2023.

12. STAFF COSTS

The average number of employees during the year was 25 (2023 - 25).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

13. TANGIBLE FIXED ASSETS

| | Land & Buildings £ | Plant & Equipment £ | Fixtures & Fittings £ | Total £ |
|-----------------------|--------------------------|---------------------------|-----------------------------|----------------|
| COST | | | | |
| At 1 September 2023 | - | 216,710 | 103,733 | 320,443 |
| Additions | - | 33,855 | - | 33,855 |
| Disposals | - | - | - | - |
| At 31 August 2024 | <u>-</u> | <u>250,565</u> | <u>103,733</u> | <u>354,298</u> |
| DEPRECIATION | | | | |
| At 1 September 2023 | - | 176,689 | 64,083 | 240,772 |
| Charge for year | - | 15,146 | 9,912 | 25,058 |
| Disposals | - | - | - | - |
| At 31 August 2024 | <u>-</u> | <u>191,835</u> | <u>73,995</u> | <u>265,830</u> |
| NET BOOK VALUE | | | | |
| At 31 August 2024 | <u>-</u> | <u>58,730</u> | <u>29,738</u> | <u>88,468</u> |
| At 31 August 2023 | <u>-</u> | <u>40,021</u> | <u>39,650</u> | <u>79,671</u> |

14. STOCKS

| | 2024 £ | 2023 £ |
|---------------|--------------|--------------|
| Bar | 4,848 | 2,950 |
| Merchandising | - | - |
| ices | 372 | - |
| | <u>5,220</u> | <u>2,950</u> |

15. DEBTORS

| | 2024 £ | 2023 £ |
|--------------------------------|--------------|---------------|
| Trade debtors | 1,736 | 4,835 |
| Prepayments and accrued income | - | - |
| Gift aid debtor | - | 8,500 |
| | <u>1,736</u> | <u>13,335</u> |

16. CREDITORS

| | 2024 £ | 2023 £ |
|---------------------------------|---------------|---------------|
| Trade creditors | 67,136 | 59,758 |
| Social security and other taxes | 3,747 | 3,887 |
| Accruals and deferred income | 9,839 | 5,325 |
| | <u>80,722</u> | <u>68,970</u> |

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2024