

REGISTERED COMPANY NUMBER: 03133142 (England and Wales)
REGISTERED CHARITY NUMBER: 1051708

**Report of the Trustees and
Consolidated Financial Statements
for the Year Ended 31 January 2021
for
ROSES THEATRE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

ROSES THEATRE TRUST

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for the year ended 31 January 2021**

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ROSES THEATRE TRUST

Report of the Trustees for the year ended 31 January 2021

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 January 2021. 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

We aspire to be an outward looking, innovative and inclusive centre for the arts, offering a diverse creative experience of the highest quality for our communities. Owing to the Covid19 pandemic, the theatre was closed by government edict, for nine months of the year and therefore its output was severely limited.

Within the time available, The Roses Theatre delivered its objects by advancing the education of the public in all aspects of the arts and cultural activity. The Roses contributed to the quality of life and well-being of the people of Gloucestershire and the wider region through the provision of exciting, innovative and accessible professional and community arts events. The objects are delivered through four strategic principal activities:

- A diverse programme of live performing arts, a full spectrum of drama, music and dance, encompassing both popular entertainment and innovative contemporary arts
- An varied film programme screening the best of current UK and international cinema
- A live screenings programme, screening live arts events from all over the world and the addition of our own live streaming programme - streaming theatre events outbound to other venues and audiences
- A wide range of participatory arts projects for all ages, at the theatre, within education and in specific communities. This programme aimed to release creativity, develop self expression, improve well being and confidence, foster group experience and widen appreciation of the arts

The Roses sought to offer a diverse programme of activity that balanced both artistically and financially those activities which are popular entertainment with innovative cutting-edge performance and film. Key to the programme was the development of participatory arts projects which allowed The Roses to reach out to specific communities or groups of people who do not form part of the traditional theatre or cinema audience. Work in this area took place outside the building in places and organisations within Tewkesbury Town and Borough, Gloucestershire and the wider region.

Public benefit

In planning the charity's activities for the year, the trustees kept in mind the Charity Commission's guidance on public benefit.

The focus of the charity's activities during the year, which explains the delivery by the charity of public benefit, is set out below under 'achievement and performance'.

The live, film and event cinema programme offers something for everyone and the pricing strategy includes concessions for all events, to ensure that the programme is as accessible as possible.

ROSES THEATRE TRUST

Report of the Trustees for the year ended 31 January 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Impact of the Covid19 Pandemic

In February 2019, the theatre had had 6 months of the most successful month by month income on record and was awarded its first Arts Council Project grant since 2007 for 'Engaging Younger Audiences,' a programme of organisational development and programme to improve the Roses engagement with young people.

However, in March 2020 the theatre was closed when the Government imposed a lockdown in response to the growing Covid19 pandemic. From this point the Roses was only open for 3 months of the financial year 2020/21. While this had a significant impact on the commercial income of the organisation, The Roses has been successful at winning grants from a range of trusts, foundations, the Arts Council and the Government's Cultural Recovery Fund.

This has allowed the theatre to remain serving its community and provided a range of creative activities and events:

- In response to the venue's closure and the impact on its audiences, the Roses produced The Feel Good Festival.

The festival has focused on providing access to making art and creative activities for free to the local community in Tewkesbury and the wider area. However, it also provided a range of opportunities for local artists both in terms of employment and visibility. So far has paid 20 freelance local artists to deliver 30 workshops and will continue into October. The festival has reached over 50,000 people on social media. Workshop participation has been between 5 people up to 60 people so far, with numbers growing as we build momentum.

With a focus on community connection, mental health & wellbeing, the season will be a springboard to launch participatory daytime & evening activity: a creative club for over 65s, new parent & baby activities, relaunch of the Youth Theatre as 'Young Creatives,' board/immersive game design club. The festival has helped us build new relationships with creatives, facilitators and connect with resources to deliver new live activity when we reopen the venue.

The festival has become an annual event, with a blended in-person and online programme commissioned for October 2021

- Local band Non Jovi performed a live streamed, free to view concert for Roses audiences. This also raised funds for the theatre to support lockdown costs

- Alongside this The Roses Choir pivoted to an online format retaining 29 of its 35 members, all of whom are over 65. In December 2021 they performed a live outdoor Christmas concert with full social distancing.

- Following the postponement of the Roses annual Christmas Panto due to social distancing regulations the Roses decided to commission local writer Nick Wilkes to write a Tewkesbury specific Christmas show, 'Almost a Christmas Carol.' This employed local actors and crew to support freelancers during the pandemic. The show was a critical success and paved the way for a new show brand, 'Almost,' that will be expanded and toured over the next 2 years

FINANCIAL REVIEW

Investment policy and objectives

The Trust has the power to establish or support any charitable trusts, associations or institutions formed for all or any of the Objects of the charity. It may also raise funds provided that it shall not undertake any substantial permanent trading activities.

ROSES THEATRE TRUST

Report of the Trustees for the year ended 31 January 2021

FINANCIAL REVIEW

Reserves policy

The trustees have assessed the financial cost that would arise in the event of closure or in the event of a significant reduction of funding support. In their opinion the Trust should have reserves to cover essential expenditure for a reduced operation for six months.

As it stands, following a successful grant application to the Cultural Recovery Fund round 1, there are currently £41,500 reserves in place but the new Board, working with strategic partners where appropriate, is developing a strategy to focus on building reserves and improving the financial stability of the theatre.

The trustees will not use or keep any restricted funding to form part or all of this reserves policy.

The Board of trustees met 15 times and at each meeting the board reviewed the theatre's finances including cashflows and management accounts.

The theatre has continued to be proactive in seeking out new sources of income to support and sustain its work. During the lockdown period the theatre benefitted from the government 'furlough' scheme which covered a large proportion of staff salaries. It also received covid regeneration grants which ameliorated the financial impact of the pandemic.

The financial result for the 2020/21 financial year is a surplus of £2,982. A very satisfactory result given the trading restrictions of the year in question.

As always, the contributions of the loyal group of volunteers and the staff are much appreciated by the Board.

FUTURE PLANS

The trustees have plans in place to ensure the financial stability of the Theatre and which aim to establish a viable business model while still delivering a vibrant and varied programme.

The theatre reopened on 27 May 2021 with a film programme. Live performances are planned from late July with limited audience numbers and the venue is currently on track to be back to full capacity by September 2021 following the removal of Covid19 safety restrictions.

A full programme has been provisionally planned well into 2022 including a pantomime opening December 2021.

The Roses Theatre retains its commitment to Arts Council principles and the theatre will prioritise equality and diversity objectives in terms of programming, staffing or board representation.

With Arts Council project funding and grants from trusts, the considerable output of education and community work for which the Roses is widely regarded, can develop and thrive.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Roses Theatre Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 1 December 1995. It is registered as a charity with the Charity Commission. Members of the charity are approved by the trustees in accordance with the rules laid out in the Articles of Association. There are currently nine members, who are also trustees, each of whom is deemed by accepting appointment as a trustee, to have agreed to contribute up to £10 in event of the charity being wound up. This obligation remains in place for twelve months from the date of their resignation as a trustee.

ROSES THEATRE TRUST

Report of the Trustees for the year ended 31 January 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

As set out in the Articles of Association at every annual general meeting (AGM), one-third of the Trustees are subject to retirement by rotation. All Trustees now serve a maximum of 2 x 3 year terms, to encourage turnover and the introduction of new talent. Twenty one days before the AGM, all members are circulated with details of retiring Trustees and with details of persons recommended by Trustees for appointment. The Trustees may appoint a person who is willing to act to be a Trustee either to fill a vacancy or as an additional Trustee. The Chairman is appointed by the Trustees.

Organisational structure

The board of Trustees, which has a minimum number of three and a maximum number of ten, administers the charity. The Trustees act as Directors for the purpose of company law. The Board meets at least six times a year. A Director is appointed by the Trustees to manage the day to day operations of the charity. To facilitate effective operations, the Director has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment, marketing and artistic performance related activity.

The Theatre Director is Jessica Brewster who took up the role in June 2019. The board wish to record their grateful thanks to all the staff who went through a difficult and uncertain year on reduced earnings and remained loyal to the Roses.

Particular thanks must go to our Director, Jessica, for her success in raising vital extra funds and who managed the demands of a theatre in lockdown with cheerfulness and fortitude.

Induction and training of new trustees

New trustees undergo briefing on their obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process and the recent financial performance of the charity. Trustees are given a tour of the building and meet key employees and other trustees. Trustees are encouraged from time to time to attend external training events and to attend the theatre to see the programme of work. Trustees are asked to declare any conflict of interest they may have at each board meeting.

Risk management

Buildings

The theatre building is jointly maintained by The Roses Theatre Trust (Tenant) & Tewkesbury Borough Council (Landlord). Daily, weekly and annual checks ensure that the theatre is kept in the safest possible condition.

Finance

Finance is a standing agenda item at each Board meeting. The theatre's accounts were managed by Haines Watts Chartered Accountants but a staff Finance Manager was appointed in June 2021.

There is a finance committee made up of Stephen Bareham MBA FCCA and the Chairman Geoffrey Rowe who monitor the financial state of the theatre.

Health & Safety

Peninsula Ltd provide policy and advice on H&S and HR, including a full review of Health & Safety across the venue. There is a current H&S policy and a management system, Business Safe, to digitally record all activity related to Health & Safety. The Theatre has comprehensive Health & Safety procedures detailed in a written Health & Safety Policy. The Health & Safety Committee, which includes a Board member, meets four times a year to review the Policy, review any new events or problems identified and implement improvements if necessary.

Vulnerable People

Many of the visitors to the theatre are young or vulnerable people. The Theatre has a Safeguarding Policy, Child Protection Policy and a Protection Officer to ensure the safety of such people. We carry out Disclosure & Barring Service checks (formerly Criminal Bureau) on relevant staff.

ROSES THEATRE TRUST

Report of the Trustees for the year ended 31 January 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03133142 (England and Wales)

Registered Charity number

1051708

Registered office

Sun Street
Tewkesbury
Gloucestershire
GL20 5NX

Trustees

Gerald Hawke (resigned 18/3/20)
Maurice Gran
Paul Johnson
Colin Smith
Eleanor Teasdale
Nicholas Wilkes
Geoffrey Rowe
Lara Chaplin (resigned 18/3/20)
Samuel Shrouder (appointed 4/11/20)
Stephen Bareham (appointed 3/3/21)
Catherine Cody (appointed 6/1/21)

Auditors

Andorran Limited (Statutory Auditor)
6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Gloucestershire
GL51 9TX

Bankers

HSBC Bank plc
11a High Street
Tewkesbury
Gloucestershire
GL20 5AP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Roses Theatre Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

ROSES THEATRE TRUST

Report of the Trustees for the year ended 31 January 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Andorran Limited (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 29.09.2021 and signed on its behalf by:



Geoffrey Rowe - Trustee

**Report of the Independent Auditors to the Members of
Roses Theatre Trust**

Opinion

We have audited the financial statements of Roses Theatre Trust (the 'charitable company') for the year ended 31 January 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 January 2021 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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.

Material uncertainty related to going concern

We draw attention to the Consolidated Statement of Financial Position on page 12, where it is noted that the charitable company's consolidated current liabilities exceeded its current assets by £264,808 and there was a net deficit on unrestricted reserves of £200,970.

The charitable company's trustees have acknowledged the position and provided their explanation of its causes in note 1 to the consolidated financial statements. They have also outlined the steps that have been taken, and are being taken, to improve the charitable company's financial position.

The existence of these conditions, the reliance on funding from external sources and the challenge of delivering a business plan that returns the charitable company to regular surplus and positive cash flow against a background of continuing economic uncertainty indicate that a material uncertainty exists that may cast doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in this regard.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Report of the Independent Auditors to the Members of Roses Theatre Trust

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the charitable company'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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

Owing to the inherent limitations of an audit, there is an unavoidable risk that, despite us planning and performing our audit in accordance with auditing standards, one or more material misstatements in the financial statements may have gone undetected by our audit. As with any audit, there is a risk that irregularities and fraud will go undetected where they involve matters such as misrepresentations from management, collusion, deliberate omissions and override of controls. It is not the role of the auditor to prevent non-compliance and we cannot be expected to detect every instance of non-compliance with all laws and regulations.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Enquiries of management including a pre audit meeting;
- Obtaining and reviewing supporting documentation of policies concerning the laws and regulations applicable to the business;
- Understanding how the company complies with its regulatory framework by making enquiries of management;
- Considering the culture inherent in the company and whether this represents a culture of honesty and ethical behaviour with a strong emphasis of detection and prevention of fraud.

We assessed the susceptibility of the company's financial statements to material misstatement and considered how fraud might occur. The audit procedures performed included, but were not limited to:

- Challenging management assumptions and estimates;
- Assessing how the relevant laws and regulations have been complied with and noting any instances of non compliance;
- Reviewing the financial statements for compliance with relevant Accounting Standards and accounting legislation applicable;
- Considering how those charged with governance have addressed the possibility of an override of essential controls or other influence over the financial processes.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Roses Theatre Trust**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Roger Downes FCA (Senior Statutory Auditor)
for and on behalf of Andorran Limited (Statutory Auditor)
6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Gloucestershire
GL51 9TX

Date: 29 September 2021

ROSES THEATRE TRUST

**Consolidated Statement of Financial Activities
for the year ended 31 January 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	444,038	-	444,038	98,035
Charitable activities	5				
Operation of theatre and cinema		177,659	-	177,659	809,214
Other trading activities	3	31,170	-	31,170	176,906
Investment income	4	<u>19</u>	<u>-</u>	<u>19</u>	<u>34</u>
Total		652,886	-	652,886	1,084,189
EXPENDITURE ON					
Raising funds	6	37,793	-	37,793	77,896
Charitable activities	7				
Operation of theatre and cinema		584,687	27,424	612,111	1,043,673
Total		<u>622,480</u>	<u>27,424</u>	<u>649,904</u>	<u>1,121,69</u>
NET INCOME/(EXPENDITURE)		30,406	(27,424)	2,982	(37,380)
RECONCILIATION OF FUNDS					
Total funds brought forward		(231,376)	611,013	379,637	417,017
TOTAL FUNDS CARRIED FORWARD		<u>(200,970)</u>	<u>583,589</u>	<u>382,619</u>	<u>379,637</u>

The notes form part of these financial statements

ROSES THEATRE TRUST

**Consolidated Statement of Financial Position
31 January 2021**


	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	14	<u>38,187</u>	<u>650,971</u>	<u>689,158</u>	<u>730,075</u>
		38,187	650,971	689,158	730,075
CURRENT ASSETS					
Stocks	16	3,361	-	3,361	10,636
Debtors	17	44,186	-	44,186	11,852
Cash at bank and in hand		<u>21,179</u>	<u>-</u>	<u>21,179</u>	<u>10,810</u>
		68,726	-	68,726	33,298
CREDITORS					
Amounts falling due within one year	18	<u>(266,152)</u>	<u>(67,382)</u>	<u>(333,534)</u>	<u>(339,469)</u>
NET CURRENT ASSETS/(LIABILITIES)					
		<u>(197,426)</u>	<u>(67,382)</u>	<u>(264,808)</u>	<u>(306,172)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		(159,239)	583,589	424,350	423,904
CREDITORS					
Amounts falling due after more than one year	19	<u>(41,731)</u>	<u>-</u>	<u>(41,731)</u>	<u>(44,267)</u>
NET ASSETS					
		<u>(200,970)</u>	<u>583,589</u>	<u>382,619</u>	<u>379,637</u>
FUNDS					
Unrestricted funds	22			(200,970)	(231,376)
Restricted funds				<u>583,589</u>	<u>611,013</u>
TOTAL FUNDS					
				<u>382,619</u>	<u>379,637</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 29.09.2021 and were signed on its behalf by:



Geoffrey Rowe - Trustee



Stephen Bareham - Trustee

The notes form part of these financial statements

ROSES THEATRE TRUST

Statement of Financial Position 31 January 2021

	Notes	Unrestricted fund £	Restricted funds £	Total funds £	Total funds £
FIXED ASSETS					
Tangible assets	14	38,187	650,971	689,158	730,075
Investments	15	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		38,188	650,971	689,159	730,076
CURRENT ASSETS					
Stocks	16	3,361	-	3,361	10,636
Debtors	17	42,935	-	42,935	11,851
Cash at bank and in hand		<u>21,179</u>	<u>-</u>	<u>21,179</u>	<u>10,810</u>
		67,475	-	67,475	33,297
CREDITORS					
Amounts falling due within one year	18	<u>(264,902)</u>	<u>(67,382)</u>	<u>(332,284)</u>	<u>(339,469)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(197,427)</u>	<u>(67,382)</u>	<u>(264,809)</u>	<u>(306,172)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(159,239)	583,589	424,350	423,904
CREDITORS					
Amounts falling due after more than one year	19	<u>(41,731)</u>	<u>-</u>	<u>(41,731)</u>	<u>(44,267)</u>
NET ASSETS		<u>(200,970)</u>	<u>583,589</u>	<u>382,619</u>	<u>379,637</u>
FUNDS	22				
Unrestricted funds				(200,970)	(231,376)
Restricted funds				<u>583,589</u>	<u>611,013</u>
TOTAL FUNDS				<u>382,619</u>	<u>379,637</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Geoffrey Rowe - Trustee

.....
Stephen Bareham - Trustee

The notes form part of these financial statements

ROSES THEATRE TRUST

Consolidated Statement of Cash Flows for the year ended 31 January 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	17,492	31,165
Interest paid		<u>(3,335)</u>	<u>(5,505)</u>
Net cash provided by operating activities		<u>14,157</u>	<u>25,660</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(949)	(23,268)
Interest received		<u>19</u>	<u>34</u>
Net cash used in investing activities		<u>(930)</u>	<u>(23,234)</u>
Cash flows from financing activities			
New loans in year		30,000	100,000
Loan repayments in year		<u>(32,322)</u>	<u>(61,453)</u>
Net cash (used in)/provided by financing activities		<u>(2,322)</u>	<u>38,547</u>
Change in cash and cash equivalents in the reporting period			
		10,905	40,973
Cash and cash equivalents at the beginning of the reporting period	2	<u>10,274</u>	<u>(30,699)</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>21,179</u></u>	<u><u>10,274</u></u>

The notes form part of these financial statements

ROSES THEATRE TRUST

**Notes to the Consolidated Statement of Cash Flows
for the year ended 31 January 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	2,982	(37,380)
Adjustments for:		
Depreciation charges	41,865	43,653
Interest received	(19)	(34)
Interest paid	3,335	5,505
Decrease/(increase) in stocks	7,275	(6,608)
(Increase)/decrease in debtors	(32,334)	7,860
(Decrease)/increase in creditors	<u>(5,612)</u>	<u>18,169</u>
Net cash provided by operations	<u><u>17,492</u></u>	<u><u>31,165</u></u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	945	10,810
Notice deposits (less than 3 months)	20,234	-
Overdrafts included in bank loans and overdrafts falling due within one year	<u>-</u>	<u>(536)</u>
Total cash and cash equivalents	<u><u>21,179</u></u>	<u><u>10,274</u></u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.2.20 £	Cash flow £	At 31.1.21 £
Net cash			
Cash at bank and in hand	10,810	10,369	21,179
Bank overdraft	<u>(536)</u>	<u>536</u>	<u>-</u>
	<u>10,274</u>	<u>10,905</u>	<u>21,179</u>
Debt			
Debts falling due within 1 year	(32,058)	(213)	(32,271)
Debts falling due after 1 year	<u>(44,267)</u>	<u>2,536</u>	<u>(41,731)</u>
	<u>(76,325)</u>	<u>2,323</u>	<u>(74,002)</u>
Total	<u><u>(66,051)</u></u>	<u><u>13,228</u></u>	<u><u>(52,823)</u></u>

The notes form part of these financial statements

ROSES THEATRE TRUST

Notes to the Financial Statements for the year ended 31 January 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income and revenue recognition

Income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Revenue from ticket sales is recognised on the basis the performance or screening has taken place.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Tangible fixed assets

Save in the case of leasehold improvements, depreciation is provided at an annual rate of 20% of original cost in order to write off each asset over its estimated useful life or, if held under a finance lease, over the term of that lease.

Leasehold improvements are amortised over the term of the new lease signed in August 2018, which runs for a 21-year period to the end of August 2039.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

As a recognised charity, The Roses Theatre Trust is exempt from Corporation Tax so far as it relates to its charitable activities. It is not, however, exempt from VAT and irrecoverable VAT is included as an expenses in the financial statements.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. The Trustees acknowledge and have begun to address the deficit on unrestricted funds to ensure the Theatre remains a going concern, with a prudent budget in 2020/21 showing a surplus on unrestricted funds, and will continue to produce, and regularly monitor, plans to eliminate the deficit in future years. Further details of these measures are given under "Future Plans" in the trustees report.

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.

ROSES THEATRE TRUST

Notes to the Financial Statements - continued for the year ended 31 January 2021

1. ACCOUNTING POLICIES - continued

Going concern

At the end of the year, the charity had net current liabilities of £264,809 and a deficit on unrestricted funds of £200,970. This was an improvement from the previous year. The trustees are aware of the reasons for the result and have taken appropriate steps to return the charity to annual surplus. The charity management accounts since the year end confirm that operating results have improved and that the charity is operating largely in line with its current business plan.

The trustees have considered the working capital requirements of the charity in line with its latest business plan for the remainder of the current financial year. The trustees have produced detailed forecasts for 18 months from the date of approval of these financial statements, the trustees have given consideration to the likely working capital needs for that period as part of their assessment of the current need to raise sufficient working capital finance to enable the charity to continue to operate within the limits of its current business plan.

Alongside this the charity has appointed a ACCA qualified Finance Manager and established a Finance Sub-Committee to oversee financial management of the organisation on an ongoing basis.

As a result, the trustees consider that the charity will be able to operate as a going concern and have prepared the financial statements on that basis.

In arriving at this judgement, the trustees reviewed the issues that have led to the small surplus over the last accounting year and concluded the following:

- Covid19 had a significant impact on the earned income of the theatre, slowing the growth of the business that was seen in the last financial period.
- However, successful fundraising during the period has contributed to an improvement in the long-term position of the theatre, and financial forecasting shows further growth over the next 18 months.

Group Financial Statements

The group financial statements consolidate the result of the charitable company and its wholly owned subsidiary, Roses Theatre Trading Company Limited, on a line-by-line basis.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Private Donations	39,595	69,207
Business Donations	167	3,360
Grants	<u>404,276</u>	<u>25,468</u>
	<u>444,038</u>	<u>98,035</u>
Grants received, included in the above, are as follows:		
Tewkesbury Borough Council	27,000	19,950
South West Film Hub	-	5,518
Arts Council England	213,000	-
Watershed	8,312	-
Barnwood Trust	10,000	-
British Film Institute	13,840	-
HMRC JRS	132,124	-
	<u>404,276</u>	<u>25,468</u>

ROSES THEATRE TRUST

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Kiosk and Bar	18,704	124,570
Merchandising	-	8,084
Advertising Income	2,085	4,578
Theatre and room hire	-	10,856
Other income	8,669	8,253
Sponsorship and fundraising	1,712	8,619
Theatre tax credits	-	11,946
	<u>31,170</u>	<u>176,906</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>19</u>	<u>34</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Theatre ticket sales	125,140	532,652
Cinema ticket sales	35,287	173,951
Take Part	4,937	10,748
Booking Fees	12,295	91,863
	<u>177,659</u>	<u>809,214</u>

ROSES THEATRE TRUST

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

6. RAISING FUNDS

Other trading activities

	2021	2020
	£	£
Purchases	16,597	48,844
Staff costs	20,931	23,780
Sponsorship and fundraising	<u>265</u>	<u>5,272</u>
	<u>37,793</u>	<u>77,896</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Operation of theatre and cinema	<u>442,075</u>	<u>170,036</u>	<u>612,111</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Staff costs	198,676	226,261
Show Costs	110,813	344,883
Miscellaneous	29,518	29,921
Hire of films	22,889	73,776
Credit card charges	4,828	21,124
Insurance	11,408	14,845
Take Part costs	18,885	15,294
Bank charges	3,193	5,910
Depreciation	<u>41,865</u>	<u>43,653</u>
	<u>442,075</u>	<u>775,667</u>

9. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Operation of theatre and cinema	<u>114,269</u>	<u>55,767</u>	<u>170,036</u>

ROSES THEATRE TRUST

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

9. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

	2021 Operation of theatre and cinema £	2020 Total activities £
Marketing salaries	35,495	37,672
Premises Expenses	31,563	78,659
IT Costs	18,484	17,697
Office expense	10,012	11,040
Advertising	15,380	56,317
Interest payable	3,335	5,505
Administration salaries	12,814	32,745
IT Costs	9,350	11,180
Accountancy	21,517	7,100
Professional Fees	5,586	2,541
Auditors remuneration	6,500	7,550
	<u>170,036</u>	<u>268,006</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation - owned assets	<u>41,866</u>	<u>43,653</u>

The building from which the Theatre operates is leased from Tewkesbury Borough Council. In accordance with the terms of the lease, no rent was charged for the year ended 31 January 2021 or 31 January 2020.

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 January 2021 nor for the year ended 31 January 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 January 2021 nor for the year ended 31 January 2020.

ROSES THEATRE TRUST

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

12. STAFF COSTS

	31.1.20	31.1.19
	£	£
Wages and salaries	266,408	308,103
Social security costs	11,817	16,433
Pension costs	3,955	4,137
	<u>282,181</u>	<u>328,673</u>

During the year a detailed staffing review was undertaken, and as a result a number of redundancies were made. Included within miscellaneous costs under charitable activities is £15,382 of statutory redundancy pay.

The average monthly number of employees during the year was as follows:

	2021	2020
Marketing	1	1
Kiosk and bar	3	3
Fundraising	-	1
Operations	12	12
Take Part	1	1
Technical Staff	5	4
Governance	1	3
	<u>23</u>	<u>25</u>

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

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	98,035	-	98,035
Charitable activities			
Operation of theatre and cinema	809,214	-	809,214
Other trading activities	176,906	-	176,906
Investment income	34	-	34
	<u>1,084,189</u>	<u>-</u>	<u>1,084,189</u>
Total	1,084,189	-	1,084,189
EXPENDITURE ON			
Raising funds	77,896	-	77,896
Charitable activities			
Operation of theatre and cinema	1,012,502	31,171	1,043,673
	<u>1,090,398</u>	<u>31,171</u>	<u>1,121,569</u>
Total	1,090,398	31,171	1,121,569

ROSES THEATRE TRUST

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
	<u> </u>	<u> </u>	<u> </u>
NET INCOME/(EXPENDITURE)	(6,209)	(31,171)	(37,380)
RECONCILIATION OF FUNDS			
Total funds brought forward	(225,167)	642,184	417,017
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD	<u>(231,376)</u>	<u>611,013</u>	<u>379,637</u>

14. TANGIBLE FIXED ASSETS

	Short leasehold £	Stage & Cinema Equipment £	Fixtures and fittings £	Office Equipment £	Totals £
COST					
At 1 February 2020	707,366	161,342	205,911	176,285	1,250,904
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>949</u>	<u>949</u>
At 31 January 2021	<u>707,366</u>	<u>161,342</u>	<u>205,911</u>	<u>177,234</u>	<u>1,251,853</u>
DEPRECIATION					
At 1 February 2020	42,442	134,774	182,823	160,790	520,829
Charge for year	<u>28,294</u>	<u>5,314</u>	<u>5,127</u>	<u>3,131</u>	<u>41,866</u>
At 31 January 2021	<u>70,736</u>	<u>140,088</u>	<u>187,950</u>	<u>163,921</u>	<u>562,695</u>
NET BOOK VALUE					
At 31 January 2021	<u>636,630</u>	<u>21,254</u>	<u>17,961</u>	<u>13,313</u>	<u>689,158</u>
At 31 January 2020	<u>664,924</u>	<u>26,568</u>	<u>23,088</u>	<u>15,495</u>	<u>730,075</u>

ROSES THEATRE TRUST

Notes to the Financial Statements - continued for the year ended 31 January 2021

15. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 February 2020 and 31 January 2021	<u>1</u>
NET BOOK VALUE	
At 31 January 2021	<u>1</u>
At 31 January 2020	<u>1</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Roses Theatre Trading Company Limited

Registered office: Sun Street, Tewkesbury, GL20 5NX

Nature of business: General trading company

	% holding
Class of share:	
Ordinary	100

16. STOCKS

	2021 £	2020 £
Stocks	<u>3,361</u>	<u>10,636</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	185	525
Other debtors	24,001	1
VAT	3,294	-
Prepayments	<u>16,706</u>	<u>11,326</u>
	<u>44,186</u>	<u>11,852</u>

ROSES THEATRE TRUST

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 20)	32,271	32,594
Trade creditors	36,782	69,453
Social security and other taxes	18,591	5,901
VAT	-	10,584
Other creditors	1,559	3,577
Deferred income	212,207	191,367
Accrued expenses	<u>32,124</u>	<u>25,993</u>
	<u>333,534</u>	<u>339,469</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans (see note 20)	11,731	44,267
Other loans (see note 20)	<u>30,000</u>	<u>-</u>
	<u>41,731</u>	<u>44,267</u>

20. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	-	536
Bank loans	<u>32,271</u>	<u>32,058</u>
	<u>32,271</u>	<u>32,594</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	11,731	32,178
Other loans - 1-2 years	<u>11,250</u>	<u>-</u>
	<u>22,981</u>	<u>32,178</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	-	12,089
Other loans - 2-5 years	<u>18,750</u>	<u>-</u>
	<u>18,750</u>	<u>12,089</u>

ROSES THEATRE TRUST

Notes to the Financial Statements - continued for the year ended 31 January 2021

21. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank loans	44,002	76,325
Other loans	<u>30,000</u>	<u>-</u>
	<u>74,002</u>	<u>76,325</u>

The bank loan is secured by a fixed and floating charge over all assets in favour of HSBC Bank plc. The charge was created on 28 November 2017.

The other loan is a loan from Tewkesbury Borough Council who hold a floating charge covering all the property or undertaking of the company. The charge was created on 8 June 2020 and a deed of priority is in place between secured lenders.

22. MOVEMENT IN FUNDS

	At 1.2.20	Net movement in funds	At 31.1.21
	£	£	£
Unrestricted funds			
General fund	(231,376)	30,406	(200,970)
Restricted funds			
Capital Campaign	601,719	(25,465)	576,254
Theatre Seats	<u>9,294</u>	<u>(1,959)</u>	<u>7,335</u>
	<u>611,013</u>	<u>(27,424)</u>	<u>583,589</u>
TOTAL FUNDS	<u>379,637</u>	<u>2,982</u>	<u>382,619</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	652,886	(622,480)	30,406
Restricted funds			
Capital Campaign	-	(25,465)	(25,465)
Theatre Seats	<u>-</u>	<u>(1,959)</u>	<u>(1,959)</u>
	<u>-</u>	<u>(27,424)</u>	<u>(27,424)</u>
TOTAL FUNDS	<u>652,886</u>	<u>(649,904)</u>	<u>2,982</u>

ROSES THEATRE TRUST

Notes to the Financial Statements - continued for the year ended 31 January 2021

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.2.19 £	Net movement in funds £	At 31.1.20 £
Unrestricted funds			
General fund	(225,167)	(6,209)	(231,376)
Restricted funds			
Capital Campaign	627,184	(25,465)	601,719
Theatre Seats	<u>15,000</u>	<u>(5,706)</u>	<u>9,294</u>
	<u>642,184</u>	<u>(31,171)</u>	<u>611,013</u>
TOTAL FUNDS	<u>417,017</u>	<u>(37,380)</u>	<u>379,637</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,084,189	(1,090,398)	(6,209)
Restricted funds			
Capital Campaign	-	(25,465)	(25,465)
Theatre Seats	<u>-</u>	<u>(5,706)</u>	<u>(5,706)</u>
	<u>-</u>	<u>(31,171)</u>	<u>(31,171)</u>
TOTAL FUNDS	<u>1,082,689</u>	<u>(1,120,069)</u>	<u>(37,380)</u>

Capital Appeal

Initiated in 2014 to raise funds for a £1m refurbishment of the theatre, the project was completed between July and September 2015 with support from trusts, businesses and members of the public.

Additional funds were raised in 2016-17 to fund architect's designs for a second phase known as Phase Two. Phase Two will see the addition of a studio space, improvements to the existing dressing rooms, additional accessible dressing rooms and also additional office space. Phase Two is in the very early stages of planning and will only commence when the Theatre has reduced the existing deficit.

Theatre Seats

During 2018-19, funds were received towards a change to the seating in the auditorium. The seating was purchased and installed by December 2019. The balance in restricted funds of £7,335 (2020: £9,294) is made up of fixed assets with a cost of £9,795 less accumulated depreciation of £2,460. The fixed assets are being depreciated on a straight line basis over 5 years and will be fully depreciated by December 2024.

ROSES THEATRE TRUST

Notes to the Financial Statements - continued for the year ended 31 January 2021

23. CONTINGENT LIABILITIES

Various funders retain the right to claw back grants should the use of the funds not be in accordance with the terms of the grant. As far as the trustees are aware no such liability exists at 31 January 2021.

24. RELATED PARTY DISCLOSURES

During the year £1,500 (2020: £1,750) was received from Thomson & Bancks, a business in which P Johnson is a partner, relating to sponsorship on an arms' length basis.

During the year N Wilkes was employed as a writer / actor in the Roses Christmas show, a replacement for the annual Pantomime. He was paid at Equity rates and a £1,000 commission fee for the play on an arms' length basis.

The following trustees are 'Friends' or Patrons' of the charity:

- M Gran - £275 was received in membership fees (2020: £275)
- G Rowe - £275 was received in membership fees (2020: £275)
- E Teasdale - £35 was received in membership fees (2020: £35)

This page does not form part of the statutory financial statements
