

**Company number: 3001139**  
**Charity number: 1053930**

**FRIENDS OF THE TIVOLI**  
**REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2021**

# **FRIENDS OF THE TIVOLI**

## **CONTENTS**

	<b>Page</b>
Annual Report of the Trustees	1-7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Statement of Cash Flows	11
Notes to the Accounts	12-20
Non-Statutory Information – For the Trustees only	
Detailed Income and Expenditure Account	21
Consolidated Detailed Income and Expenditure Account	22

## FRIENDS OF THE TIVOLI

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021

The Trustees are pleased to present their report together with the financial statements of the charity for the year ending 31st December 2021.

#### REFERENCE AND ADMINISTRATIVE DETAILS

Charity Number 1053930

Company Number 3001139

Principal Office 19 -23 West Borough, Wimborne, Dorset, BH21 1LT.

Independent Examiner	Francis Clark LLP	Towngate House, 2 – 8 Parkstone Road, Poole, Dorset BH15 2PW
Bankers	Barclays Bank PLC	
Solicitors	Harold G Walker	30, West Borough, Wimborne Dorset, BH21 1NF

#### Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout the report are collectively referred to as the trustees.

The Trustees who served during the year and since the year end were as follows:

Andrew Francis Barnes (reappointed 25th January 2021) (deceased 7<sup>th</sup> June 2021)

Alan Breakwell (Chairman)

Anita June Cole

Robin Cook (reappointed 6<sup>th</sup> December 2021)

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing Document

The Friends of the Tivoli is a company limited by guarantee governed by its Memorandum and Articles of Association dated 17<sup>th</sup> December 1994 and amended on the 6<sup>th</sup> October 1997 and the 28<sup>th</sup> September 2004. It is registered as a charity with the Charity Commission. The company has currently over 100 members who undertake to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up, for payment of the company's debts and liabilities.

##### Appointment of Trustees

As set out in the Articles of Association the trustees retire by rotation and are elected by the members attending the annual general meeting (AGM). Members may also nominate trustees for election at the AGM. Trustees can co-opt members during the year and seek confirmation at the AGM. When considering co-option regard is given to a balance of skills to ensure that the trustees have as wide a knowledge base as possible.

##### Trustee Induction and Training

Any new Trustee will undergo an induction where they will be briefed on their legal obligations under Charity and Company law, the Charity Commission guidance on public benefit, the content of the Memorandum and Articles of Association, previous Trustees' minutes, the Way Ahead document and the Budget and recent financial performance of the Charity. They will also meet the General Manager and the other employees and have a tour of the facility. Trustees can attend appropriate training events where these will benefit in carrying out their role.

## **FRIENDS OF THE TIVOLI**

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

#### Organisation

The Board of Trustees consisting of not less than three members and no upper limit administer the charity and its trading subsidiary. The board hold meetings to cover development, finance, and all aspects of the charity. A General Manager, Charlie North Lewis, is appointed by the Trustees to manage the day-to-day operations of the charity. In addition, there is a Building Services Manager, a Technical Manager, a Finance Administrator, an Office Administrator, a Box Office Administrator, Lighting Technician, Sound Technician and Front of House Manager all who are salaried employees with the Projectionists, and Technical Crew being paid a film/show fee.

The Charity relies heavily on volunteers to perform many tasks for example duty manager, front of house, box office, office, and financial administration, operating the bar and café, and day to day maintenance. It is estimated that in a normal year volunteers provide approximately 21,000 hours and at appropriate rates of pay this is equal to £189,000.

#### Related parties

The charity's wholly owned trading subsidiary, Tivmanco Limited, was established to operate the theatre, bar and refreshments and gift aids the surplus for the year to the charity. To comply with FRS102 update bulletin 2 relating to gift aid of surpluses, from 2018 onwards the surplus for the year will be reflected in the accounts in the year when the surplus is paid over. The 2019 surplus was retained by Tivmanco Limited, and tax was paid leaving the balance to meet the shortfall in 2020 arising from the pandemic. The balance remaining from 2020 was used to meet the shortfall in 2021.

#### Pay Policy

The directors who are the Trust's trustees give of their time freely and receive no remuneration and details of any Trustees' expenses are disclosed in note 6 to the accounts.

The pay of the paid staff is normally reviewed annually at the time the annual budget is being considered. One of the conditions of the Arts Council Grant was that there should be no pay review for at least 18 months following receipt of the grant approval and the next review will be at the end of 2022. The factors considered are inflation, pay levels locally and most importantly the ability of the theatre to pay. Trustees also review at budget time the theatre's performance in the current year. If the projected budget surplus is above a level determined annually by Trustees, then office staff/managers receive a thank you/bonus for contributing to the success of the theatre and that is paid in the following financial year. There has been a change in the technical crew this year with one employee moving to a zero-hour contract. The pay levels for the senior staff were set on similar posts elsewhere, local market rates and importantly what the theatre could afford.

#### Risk Management

The Trustees are aware of the risks the business faces and through the board meetings review progress to ensure that any risks are minimised. The General Manager and his team concentrate on the non-financial risks arising from fire, health and safety of artists and audience and other risks that are identified on an on-going basis and from the annual review by the Insurance Company. The Child Protection Policy is in line with the procedures of the local authority.

A risk management strategy has been adopted to cover an annual review of the risks the charity may face, the establishment of systems and procedures to manage the risks identified in the plan, and the implementation of procedures designed to minimise any potential impact should any risk materialise. The risk register is reviewed on an annual basis. A key element in the management of financial risk is the setting of a reserves policy and its regular review by the Trustees.

## FRIENDS OF THE TIVOLI

### REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021

#### OBJECTIVES OF THE CHARITY

The main objective for which the Charity is established is to promote, restore, maintain, improve, and advance public education in the performing arts by the promotion and production of theatrical plays and the encouragement of the arts including film, shows, drama, mime, dance, singing and music for the benefit of the community. The Charity has a general aim of contributing to the quality of life of the people of East Dorset and the wider area by providing, on a regular basis, accessible professional and community arts events.

#### PRINCIPAL ACTIVITIES ACHIEVEMENTS AND PERFORMANCE

For the second year the Theatre has been severely affected by the pandemic and this has impacted on the attendance figures. The theatre remained closed until the 19<sup>th</sup> May 2021 and there was limited activity through June and July with social distancing measures in place. It was an improved picture from August onwards although several shows had to be moved and numbers attending were below the pre pandemic levels. The year finished on a high with the pantomime which this year completed its run.

Attendance	2017	2018	2019	2020	2021
Cinema/Satellite	20,607	27,698	25,845	7,758	4,276
Shows	57,012	55,786	52,414	14,195	21,827
Total	77,619	83,484	78,259	21,953	26,103

Attendance was down by two thirds compared with a normal year. There were only 16 different films shown with an average attendance of 42 (117 in 2020). 4 of the films exceeded the average which were The Last Bus. The Father, Nomadland and the James Bond film No Time to Die. There were 14 (5 in 2020) different screenings by satellite attracting an average attendance of 50 (128 in 2020) per showing. The most popular were concerts by Andre Rieu, Cliff Richard's Great 80's tour, Michael Ball & Alfie Boe and Mick Fleetwood and Friends.

In a normal year live theatre would have provided a wide range of opportunities with around 130 different events planned. This would have allowed the Tivoli to provide quality shows with a balanced programme to suit all tastes covering jazz, comedy, ballet, drama, musicals, tribute bands, celebrity guests, factual programmes, original artists and, over Christmas and New Year a pantomime. This year under 60 live events took place with Wimborne Drama producing Towards Zero in October, and Project Play performed Dad's Army in August. As part of the Arts Council grant application was a commitment to support local Dorset artists and Matt Black the Piano Man along with Dorset Blues Tom Waters and Hannah Robinson appeared at the Theatre. Made to Measure who produce the pantomime finished their December 2020/January 2021 run which had been cancelled due to lockdown in early June and their pantomime in 2021/22 was Sleeping Beauty which again was well received and ended the year on a high.

Like last year it has been a major task for the box office staff dealing with the cancelled/ rearranged shows some of which have been moved more than once and this year cancellations have continued to occur leading to several shows having to be rearranged. The Trustees are appreciative of the way the General Manager and his team have operated through this very difficult time and the support that has been received from the public and the theatre world. The Tivoli reputation continues to grow in the theatre world and the General Manager takes every opportunity to enhance that reputation with the future programming.

## **FRIENDS OF THE TIVOLI**

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

Works continued to maintain the building during the year and external painting to the frontage was undertaken. The communications backstage was updated, and this year saw the start of the roof repairs which has proven to be a challenge and a major piece of work. The contractor has been faced with the effects of Covid and the impact this has had on the supply of materials. Coupled with this was finding additional works were required when opening up the roof of the listed building which were not part of the original contract. The costs have risen significantly, and it is hoped that by the summer of 2022 the works will be complete. The Trustees are very pleased with the works carried out and the roof which has been an issue for a number of years will have been repaired and improved to protect the theatre for the future.

Reference was made in last year's report that in June 2020 an appeal was launched to help support the theatre during the pandemic and ensure it was able to re-open when it was safe to do so. The response was amazing, and this has continued throughout 2021 with the figure now standing at over £76,000 plus gift aid. The theatre is at the heart of the community and the response reflects how important the facility is to so many people. The Trustees are so grateful for all the contributions received whether it be by way of a donation, customers donating their cancelled show tickets to the appeal, crowdfunding by pupils of Blandford school who have performed at the theatre and corporate support. Thank you to everyone.

In January 2021 the Theatre made an application to the Arts Council for a grant from the Government's Cultural Recovery Fund which covered two elements support for the period April to July to help the Theatre return to operating and replenishing reserves. The Theatre was notified at the end of March they had been successful with £101,132 paid up front and the balance following an end of project report and the figures certified by the auditor. The total amount received was £121,869 and coupled with the Appeal has played a major part in maintaining the sustainability of the Theatre.

The Trustees have given due regard to public benefit when planning the charity's activities in accordance with the Charity Commission's General Guidance on Public Benefit. The paragraphs above set out the activities, achievements, and performance during the year, which are directly related to the objects and purposes for which the charity exists and are fully compliant with the Charity Commission Principles on Public Benefit.

## **FINANCIAL REVIEW**

It had been the practise to monitor the budget through income from shows/cinema on a monthly basis and this had been a good guideline for managing the budget and the profitability. This has not been possible since the pandemic and a more detailed monthly analysis of income and expenditure has been undertaken resulting in a detailed profile having been built up over 2021 and continuing in 2022.

The other change in monitoring has been to change the way the budget is presented to be in line with the Arts Council headings which has meant mixing Tivmanco with FOTT to give a composite budget rather than two separate ones. It is a clearer process and provides the total picture of activity for the theatre.

The Trustees continued to ensure that all grants the theatre were eligible for have been received and the furlough scheme was used whilst at the same time ensuring that the running of the theatre was not compromised. An application was made to the Arts Council in January 2021 and as detailed above the application was successful and £121,869 was received.

In 2019 the year before the pandemic Tivmanco the wholly owned trading subsidiary had a turnover exceeding 1.3 million pounds in line with the 2019 level. In 2020 turnover was around £375,000 a drop of £925,000 (71%) and 2021 turnover increased to just over £542,000 and it is not expected to return to the 2019 levels until 2023.

## **FRIENDS OF THE TIVOLI**

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

Last year 2020 for the first time the commercial trading operations had a deficit of £65,744 (£109,645 surplus in 2019) and this deficit was met from the retained surplus from 2019. In 2021 there is a shortfall of £7,655 which will be met from the retained surplus carried forward from 2020. There has been a beneficial turnaround between the two years of just over £56,000 which can be accounted for by the theatre being opened for longer periods of the year than 2020 and having a relatively successful autumn season.

This is not the complete financial picture as the charity is responsible for the external maintenance, insurance, business rates, water/sewerage rates, and other expenses of the buildings as well as receiving income from donations, membership, and fundraising. The charity benefited by the business rates changes, government support, Arts Council grant and income raised from the appeal. This resulted in a surplus and has left the charity in a sound position at the end of the financial year which will help it face the future. Without the Arts Council Grant and support from the Government and the support from the Community through the appeal the picture would have been totally different, and the reserves built up over the years through prudent management would have been heavily used. There are still big challenges ahead to return to the theatre to the 2019 levels against a background of increasing costs and customers facing a strain on their disposable income.

The Trustees have always supported the General Manager in moving the theatre forward whilst ensuring that any increased financial commitment is planned and only implemented when it is financially prudent to do so. Strong financial management will continue to be exercised minimizing risk wherever possible so that the challenges facing the Tivoli are managed in a measured way.

The Trustees have used the Way Ahead document to carry out annually a thorough review of the needs of the theatre and agree their spending plans for the forthcoming year. The Trustees remain prudent and will review this document during the summer of 2022 to ensure that it is still fit for purpose considering the world we now live in.

The Trustees would like to take this opportunity of thanking all the staff, and volunteers for their commitment during 2021 which was another difficult and challenging year.

#### Investment Policy

The Trustees have regard to the liquidity requirements of operating the theatre and kept available funds as cash and placed them on deposit at the best rate obtainable. The theatre has no permanent endowment or annual financial support and relies on income from the customers visiting the theatre to meet the costs of running the theatre. Due to the nature of the business income is not invested for the long term.

#### Reserves Policy

The Charity aims to maintain unrestricted funds, the free reserves of the charity, at a level sufficient to ensure that all unrestricted expenditure outstanding at any one time can be met. Unrestricted funds were maintained at this level throughout the year. Great care is taken to ensure that no expenditure is incurred unless it can be afforded. Enhancements or improvements will not be approved unless the Trustees are satisfied that the need has been justified and the funds are there to meet that expenditure.

The Trustees review their policy annually and have agreed that the minimum level of reserves should be based on 60% of the estimated fixed costs for the following financial year which would continue to be paid if the theatre were closed for a 6-month period. The appropriate figure is £145,000. A risk assessment has also been undertaken to assess what the level of reserves should be if a risk-based approach was used as the basis of calculation. It is reassuring that the review was in line with the current level of reserves. In the light of the events of the last two years and the impact this will have on future years a further review of the Reserves Policy will be undertaken. As part of the review the level required to provide an equipment replacement reserve will be considered by Trustees. Any surplus reserve funds are available for maintaining, improving, and enhancing the theatre.

## **FRIENDS OF THE TIVOLI**

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

On the 1<sup>st</sup> January 2021 £402,894 of free unrestricted funds was available and during the course of the year £107,451 (£66,446 in 2020) was met from the unrestricted funds for roof works and backstage communications. After taking into account the surplus for the year the amount of free unrestricted funds available at the 31<sup>st</sup> December 2021 was £437,237. The only call currently on the balance is for payments on the roof contract and cinema sound.

### **PLANS FOR FUTURE PERIODS**

“The Way Ahead – Review of the Tivoli Theatre” is an in depth look at all aspects of the theatre covering Governance (constitution, trustees, volunteers, and friends of the Tivoli) Budgetary/Financial Reporting (budget, monitoring, reporting, balances, and accounting records) Employees, Image (Box Office and Community) and Buildings. It is a flexible document which will undergo a complete review in 2022 to ensure it is relevant to meet the changing times we live in.

Significant works have taken place over the last few years and in 2021 works started on the roof which was essential to be carried out to safeguard the building. This work will be completed during 2022 and the other works approved as part of the planning approval was the fly tower and this scheme is now on hold along with any discussions on the future use of existing under used space until there is a clear way forward for the theatre and it is once again operating on a profitable basis.

Approval was given by the Trustees to upgrade the cinema projection and sound to ensure that it is fit for purpose and this work will be undertaken in 2022.

The challenge for the Trustees is now to ensure that the good work of the last two years and the continuing tight financial monitoring remains to see the theatre through 2022 and hopefully then a return to profitability in 2023. In October 2020 when the three-year forecast was carried out 2022 showed a shortfall and since that time many changes have taken place and whilst that may still be the eventual outcome the Theatre is in a much stronger position to manage the process and the Trustees will continue to monitor on a regular basis.



## **FRIENDS OF THE TIVOLI**

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021.**

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of Friends of the Tivoli for the purposes of company law) 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).

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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP 2019 FRS102.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

A resolution to re-appoint Francis Clark LLP for the ensuing year will be proposed at the Annual General Meeting in accordance with Section 485 of the Companies Act 2006.

This report of the Trustees has been prepared in accordance with the small companies' regime under the Companies Act 2006.

**Approved by the board of Trustees on 23 August 2022 and signed on their behalf by:**

**Alan Breakwell**

## **FRIENDS OF THE TIVOLI**

### **INDEPENDENT EXAMINER'S REPORT**

I report to the trustees on my examination of the accounts of the Charitable Company for the year ended 31 December 21.

#### **Responsibilities and basis of report**

As trustees of the Charitable Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

#### **Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....  
Anne-Marie Gates FCCA FCA (a Partner of) PKF Francis Clark

Chartered Accountants  
Towngate House  
2 - 8 Parkstone Road  
Poole  
Dorset  
BH15 2PW

Date: 13 September 2022

# FRIENDS OF THE TIVOLI

## GROUP STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

For the Year Ended 31st December 2021

INCOME AND ENDOWMENTS	Note	Unrestricted Funds	Restricted Funds	Total Funds	
		2021 £	2021 £	2021 £	2020 £
<b>Income and endowments from</b>					
Donations and legacies	2	162,585	-	162,585	103,929
Other trading activities					
Fundraising	2	76	-	76	92
Commercial trading operations	3	603,602	-	603,602	439,170
Investment Income	2	630	-	630	2,347
<b>Total income and endowments</b>		766,893	-	766,893	545,538
<b>RESOURCES EXPENDED</b>					
<b>Raising funds</b>					
Cost of generating voluntary income	4	300	-	300	250
Fundraising trading	4	-	-	-	-
<b>Charitable activities</b>					
Other expenditure	4	80,610	-	80,610	84,825
Commercial trading operations	3	611,257	-	611,257	504,914
<b>Total expenditure</b>		692,167	-	692,167	589,989
Net incoming/ (outgoing) resources before transfers		74,726	-	74,726	(44,451)
Gross transfer between funds	14&15	-	-	-	-
<b>Net movement in funds for the year</b>		74,726	-	74,726	(44,451)
<b>Reconciliation of funds</b>					
Total funds brought forward		1,232,590	-	1,232,590	1,277,041
Total funds carried forward		1,307,316	-	1,307,316	1,232,590

All the charity's activities derive from continuing operations during the above periods.

The notes on pages 12 to 20 form part of these accounts.

## FRIENDS OF THE TIVOLI AND GROUP

BALANCE SHEET  
At 31st December 2021

		Group		Charity	
	Note	2021	2020	2021	2020
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	7	688,832	640,794	688,832	640,794
Investment in Subsidiary	9	-	-	1	1
		688,832	640,794	688,833	640,795
<b>Current Assets</b>					
Stocks	10	4,583	4,081	-	-
Debtors	11	43,732	28,867	148,358	86,368
Cash at Bank and in Hand		927,606	854,522	439,174	474,256
		975,921	887,470	587,532	560,624
<b>Creditors</b>					
Amounts falling due within one year	12	357,437	295,674	5,295	12,730
<b>Net Current Assets</b>		618,484	591,796	582,237	547,894
<b>Net Assets</b>		1,307,316	1,232,590	1,271,070	1,188,689
<b>Funds of The Charity</b>					
Restricted	14	-	-	-	-
Unrestricted:					
General Charitable Funds	15	1,307,316	1,232,590	1,271,070	1,188,689
<b>Total Charity Funds</b>		1,307,316	1,232,590	1,271,070	1,188,689

For the financial year ending 31 December 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the board of Trustees on 23 August 2022 and signed on its behalf by:

**Alan Breakwell**  
Trustee (Director)

The notes on pages 12 to 20 form part of these accounts.

# FRIENDS OF THE TIVOLI

## Statement of Cash Flows and Consolidated Statement of Cash Flows

For year ended 31<sup>st</sup> December 2021

		Group		Charity	
	Note	2021 £	2020 £	2021 £	2020 £
<b>Cash used in operating activities</b>	<b>17</b>	<b>179,905</b>	<b>(124,448)</b>	<b>71,739</b>	<b>17,566</b>
<b>Cash flows from investing activities</b>					
Interest Income	2	630	2,347	630	2,347
Purchase of fixed assets	7	(107,451)	(66,446)	(107,451)	(66,446)
<b>Cash used in investing activities</b>		<b>(106,821)</b>	<b>(64,099)</b>	<b>(106,821)</b>	<b>(64,099)</b>
<b>Increase(decrease) in cash and cash equivalents in the year</b>		<b>73,084</b>	<b>(188,547)</b>	<b>(35,082)</b>	<b>(46,533)</b>
Cash and cash equivalents at the beginning of the year		854,522	1,043,069	474,256	520,789
<b>Total cash and cash equivalents at the 31<sup>st</sup> December 2021</b>		<b>927,606</b>	<b>854,522</b>	<b>439,174</b>	<b>474,256</b>

The notes on pages 12 to 20 form part of these accounts.

**FRIENDS OF THE TIVOLI**  
**NOTES TO THE ACCOUNTS**  
**For the Year Ended 31st December 2021**

**1. Accounting Policies**

**(a) Basis of accounting**

Friends of the Tivoli is a registered charity, registration number 1053930, Company number 3001139, registered in the United Kingdom. The address of the charity is given in the reference and administrative details on page 1 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees annual report set out on pages 1 - 7.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

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

**(b) Incoming resources**

All incoming resources becoming available to the charity during the year are recognised in the Statement of Financial Activities. Grants and donations for specific purposes are accounted for as restricted income. Ticket sales, rental income from letting of the Tivoli theatre and bar and refreshment sales are recognised in the year the event took place. Income is stated gross of related expenditure but where appropriate net of VAT.

**(c) Resources expended.**

Expenditure is recognised when it is incurred and is reported gross of related income. It is recognised on an accruals basis and allocated to the appropriate headings in the financial statements.

**(d) Government Grants**

A grant that becomes receivable as compensation for expenses already incurred will be recognised in the profit and loss in the same period in which the related expense is incurred.

**(e) Tangible fixed assets**

Individual fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

**(f) Depreciation**

Depreciation is provided on all tangible fixed assets in use, at rates and bases calculated to write off the cost or valuation less estimated residual value, of each asset over its expected useful life, on a straight-line basis, as follows: - Freehold Improvements – 3.3% and 12.5%, Electrical and Stage Equipment – 12.5% and Furniture and Other Equipment – 12.5%.

## FRIENDS OF THE TIVOLI

### NOTES TO THE ACCOUNTS (continued) For the Year Ended 31st December 2021

**(g) Stock**

Stock is recorded at the lower of cost and net realisable value after due regard for obsolete and slow-moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

**(h) Trade Debtors**

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

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

**(i) Cash and cash equivalents**

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

**(j) Trade Creditors**

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

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

**(k) Operating Leases**

Rental chargeable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

**(l) Funds**

Restricted Funds are recognised when a restriction is placed upon incoming resources. Note 15 analyses the restricted funds in more detail.

Designated funds are unrestricted funds where the resources are set aside for specific purposes at the discretion of the trustees.

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

# FRIENDS OF THE TIVOLI

## NOTES TO THE ACCOUNTS (continued) For the Year Ended 31st December 2021

### (m) Going Concern

The financial statements have been prepared on a going concern basis. As explained in the trustee report the board have considered the impact on the charity's operations and finances in the short to medium term from the uncertainty relating to the coronavirus pandemic. In the opinion of the board, with proactively managing cash-flow the charity has sufficient working capital to continue to meet its financial obligations and pay its liabilities as they fall due for the foreseeable future and therefore the financial statements have been prepared on a going concern basis. The board have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure will be sufficient with the level of reserves held for the charity to be able to continue as a going concern.

## 2. Income and endowments

	2021 £ Unrestricted	2021 £ Restricted	2020 £ Total
<b>Donations and legacies</b>			
Donations & Grants	147,938	-	39,280
Membership	1,324	-	1,341
Appeal	13,323	-	63,308
	162,585	-	103,929
<b>Other trading activities</b>			
Fundraising	76	-	92
<b>Investment Income</b>			
Building Society Interest	609	-	1,132
Bank Interest	9	-	908
COIF Charity Deposit Fund Interest	12	-	307
	630	-	2,347

Voluntary income of £103,929 in the prior year was attributable to unrestricted funds.

Other trading activities income of £92 in the prior year was attributable to unrestricted funds.

Investment income of £2,347 in the prior year was attributable to unrestricted funds.



# FRIENDS OF THE TIVOLI

## NOTES TO THE ACCOUNTS (continued) For the Year Ended 31st December 2021

### 3. Commercial trading operations

The Charity has a wholly owned non-charitable trading subsidiary, Tivmanco Limited which is incorporated in the UK. Its issued share capital of £1 is owned by the Charity and held primarily for the purpose of furthering the Charity's Objects. Tivmanco Limited is responsible for the operation of the Tivoli Theatre. Tivmanco Limited covenants its taxable profit to Friends of the Tivoli. A summary of its trading results is shown below. The subsidiary's financial statements have been consolidated with those of the Friends of the Tivoli in the group accounts presented here.

	2021 £ Unrestricted	2020 £ Unrestricted
<b>Profit and Loss Account</b>		
Turnover	542,115	375,508
Cost of sales	316,331	213,360
<b>Gross profit</b>	225,784	159,148
Administrative expenses	296,721	288,554
<b>Trading profit</b>	(70,937)	(129,406)
Other operating income	61,487	48,241
<b>Profit before taxation</b>	(9,450)	(81,165)
Taxation	(1,795)	(15,421)
<b>Net profit</b>	(7,655)	(65,744)
Amount b/f from subsidiary	43,901	109,645
Amount gift aided to Friends of the Tivoli	-	-
<b>Retained in subsidiary</b>	36,246	43,901

A summary of the financial activities undertaken by the charity is set out below:

	2021 £	2020 £
<b>Gross incoming resources</b>	163,291	106,368
Expenditure on charitable activities	(76,435)	(80,760)
Fundraising costs	(300)	(250)
Governance and investment management costs	(4,175)	(4,065)
<b>Net incoming resources</b>	82,381	21,293
Total funds brought forward	1,188,689	1,167,396
<b>Total funds carried forward</b>	1,271,070	1,188,689
Represented by:		
Restricted income funds	-	-
Unrestricted income funds	1,271,070	1,188,689
	1,271,070	1,188,689

# FRIENDS OF THE TIVOLI

## NOTES TO THE ACCOUNTS (continued) For the Year Ended 31st December 2021

### 4. Expenditure

	2021 £ Unrestricted	2021 £ Restricted	2020 £ Total
<b>Cost of generating voluntary income</b>			
Membership expenses	300	-	250
<b>Fundraising trading costs</b>			
Fundraising activities	-	-	-
<b>Investment management costs</b>			
Bank Charges	-	-	-
<b>Charitable activities</b>			
Theatre and Cinema costs			
Establishment expenses	17,022	-	25,565
Depreciation	59,413	-	55,195
Governance costs			
Audit Fee	-	-	4,065
Independent examiners fee	4,175	-	-
Trustees Indemnity Insurance	-	-	-
	80,610	-	84,825

Trustees Indemnity Insurance is covered but following a change in Insurance Company there is now a combined policy, and the individual cost cannot be identified.

All expenditure in the previous year was attributable to unrestricted funds.

### 5. Staff costs

	2021 £	2020 £
<b>Group</b>		
Gross salaries including Show Fees	174,737	174,325
National insurance	7,895	9,039
Pension	5,128	5,142
The weekly average number of employees during the year for the Group was as follows	9	9
No employee earned more than £60,000.		

### 6. Net income

	2021 £	2020 £
<b>This is stated after charging:</b>		
Staff costs (see note 5)	187,760	188,506
Auditors' remuneration: Charitable company	-	4,065
Trading subsidiary	-	4,585
Independent examiners fee – Charitable company	4,175	-
Accountant's fee – Trading subsidiary	5,025	-
Depreciation	59,413	55,195

## FRIENDS OF THE TIVOLI

### NOTES TO THE ACCOUNTS (continued) For the Year Ended 31st December 2021

#### Trustees' remuneration and expenses

The Trustees (directors) received no remuneration or any other benefit from the charity (2020: nil) and reimbursed expenses (2020: nil).

Funds belonging to the Charity have been used in the purchase of insurance to protect the Charity from loss arising from the neglect or defaults of its trustees, employees or agents and indemnify the trustees against the consequences of any neglect or default on their part.

#### 7. Tangible fixed assets

	Freehold Improvements	Electrical and Stage Equipment	Furniture and other Equipment	Total
<b>Cost or valuation:</b>				
1st January 2021	772,694	424,561	71,425	1,268,680
Additions	99,188	8,263	-	107,451
Disposal of Asset				
31st December 2021	871,882	432,824	71,425	1,376,131
<b>Depreciation:</b>				
1st January 2021	224,026	347,831	56,029	627,886
Provision for year	31,672	22,300	5,441	59,413
Disposal of Asset				
31st December 2021	255,698	370,131	61,470	687,299
<b>Net book values:</b>				
31st December 2021	616,184	62,693	9,955	688,832
31st December 2020	548,668	76,370	15,396	640,794

#### 8. Freehold Property

In 2004 the freehold of the Tivoli Theatre (19/23 West Borough) was acquired from the Dorset County Council and 25/27 West Borough from the East Dorset District Council, previously both properties had been leased on peppercorn rents. If the buildings ceased to operate for theatre activities, then the properties would return to the local authority Dorset Council.

#### 9. Investments

	2021 £	2020 £
Investments in subsidiaries:		
Shares at cost	<u>1</u>	<u>1</u>

The Charitable Company holds 100% of the ordinary share capital of Tivmanco Limited which is a company registered in England (company number 03237197), undertaking trading activities associated with operating the Tivoli Theatre.

# FRIENDS OF THE TIVOLI

## NOTES TO THE ACCOUNTS (continued) For the Year Ended 31st December 2021

### 10. Stocks

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Goods for resale	4,583	4,081	-	-

### 11. Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	420	30	-	-
Amounts owed by group undertakings	-	-	125,093	83,582
Other Debtors	-	-	-	-
Prepayments and accrued income	41,517	13,416	23,265	2,786
Corporation Tax	1,795	15,421	-	-
	43,732	28,867	148,358	86,368

### 12. Creditors falling due within one year.

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	19,405	6,925	773	(86)
Amounts owed to group undertakings	-	-	-	-
Other taxes and social security costs	-	-	-	-
Accruals and deferred income	338,032	288,749	4,522	12,816
	357,437	295,674	5,295	12,730

### 13. Commitments

#### Operating Lease Commitments

As at 31<sup>st</sup> December 2021 the group had annual commitments under non – cancellable operating leases as follows:

Operating Leases which expire:	2021	2020
	£	£
Within one year	4,530	2,912
Within two and five years	1,685	2,790
	6,215	5,702

# FRIENDS OF THE TIVOLI

## NOTES TO THE ACCOUNTS (continued) For the Year Ended 31st December 2021

### 14. Restricted Funds

When works are completed, the related restricted funds are released in that year. The appropriate adjustment is made between restricted and unrestricted funds. There were no restricted funds in 2021.

### 15. Unrestricted Funds

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
At 1st January 2021	1,232,590	1,277,041	1,188,689	1,167,396
Surplus for the year	74,726	(44,451)	82,381	21,293
Transfer between funds			-	-
At 31st December 2021	<u>1,307,316</u>	<u>1,232,590</u>	<u>1,271,070</u>	<u>1,188,689</u>
Fixed Asset Reserve	688,832	640,794	688,833	640,795
Designated Reserve	145,000	145,000	145,000	145,000
General Reserve	<u>473,484</u>	<u>446,796</u>	<u>437,237</u>	<u>402,894</u>
	<u>1,307,316</u>	<u>1,232,590</u>	<u>1,271,070</u>	<u>1,188,689</u>

### 16. Analysis of Group Net Assets between Funds

	General Fund £	Designated Funds £	Restricted Funds £	2021 Total £	2020 Total £
Tangible Fixed Assets		688,832		688,832	640,794
Cash at Bank and in Hand	782,606	145,000		927,606	854,522
Other net current assets/liabilities	(309,122)			(309,122)	(262,726)
<b>TOTAL</b>	<b>473,484</b>	<b>833,832</b>		<b>1,307,316</b>	<b>1,232,590</b>

## FRIENDS OF THE TIVOLI

### NOTES TO THE ACCOUNTS (continued) For the Year Ended 31st December 2021

#### 17. Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Net movement in funds	74,726	(44,452)	82,381	21,293
Add depreciation charge	59,413	55,195	59,413	55,195
Add 2018 Subsidiary surplus			-	-
Deduct Interest Income	(630)	(2,347)	(630)	(2,347)
Decrease/Increase in Stock	(502)	(47)		
Decrease/Increase in Debtors	(14,865)	(14,866)	(61,990)	(54,439)
Decrease/Increase in Creditors	61,763	(117,932)	(7,435)	(2,136)
<b>Total</b>	<b>179,905</b>	<b>(124,448)</b>	<b>71,739</b>	<b>17,566</b>

#### 18. Related Parties

The Charity's wholly owned non-charitable trading subsidiary, Tivmanco Limited, also has its registered office at 19-23 West Borough, Wimborne, Dorset. At the balance sheet date £125,093 was owed to Tivmanco Limited (2020: £83,582 being the balance on the inter-company loan account through which relevant expenses and income are transferred to the charitable company).

#### 19. Contingent Asset

During 2021 a contribution of £5,152 was made to the owner of Kings House. Should the property be sold within 5 years of this contribution a clawback clause applies and funds will be returned to Friends of the Tivoli in these circumstances.

**FRIENDS OF THE TIVOLI****CHARITY DETAILED INCOME AND EXPENDITURE ACCOUNT**  
**For the Year Ended 31st December 2021**

	<b>2021</b>		<b>2020</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>				
Donations and fundraising		162,660		104,021
Covenant Tivmanco		-		-
Interest		630		2,347
		163,290		106,368
<b>Administrative Expenses</b>				
Fundraising Activities	-		-	
Membership Activities	299		250	
Rates and Water	1,009		1,233	
Insurances	12,312		12,646	
Audit fees	-		4,065	
Independent Examiners fee	4,175		-	
Repairs and maintenance	2,434		10,023	
Irrecoverable VAT	643		1,650	
Depreciation	59,413		55,195	
Professional Fees	611		-	
Miscellaneous Expenses	13	80,909	13	85,075
<b>Net Income for the year</b>		<b>82,381</b>		<b>21,293</b>

**FRIENDS OF THE TIVOLI**  
**CONSOLIDATED DETAILED INCOME AND EXPENDITURE ACCOUNT**  
**For the Year Ended 31st December 2021**

	2021		2020	
	£	£	£	£
<b>Stage Shows and Cinema</b>				
Turnover	441,175		309,743	
Paid to performers/promoters and for films	301,967		205,153	
		139,208		104,590
<b>Refreshments</b>				
Turnover	23,130		14,808	
Cost of sales	7,602		5,809	
		15,528		8,999
<b>Bar</b>				
Turnover	16,480		13,168	
Cost of sales	6,762		5,398	
		9,718		7,770
Net takings from theatre		164,454		121,359
Miscellaneous sales and advertising		60,939		36,293
Rent		350		220
Donations, gifts, and grants		224,148		152,263
Covenant Tivmanco		-		-
Interest receivable		670		3,622
		450,561		313,757
<b>Administrative Expenses</b>				
Salaries	192,760		195,364	
Light and heat	16,853		15,975	
Rates and water	1,009		1,233	
Repairs and maintenance	7,971		20,718	
Insurance	12,312		12,646	
Cleaning and toiletries	8,994		6,035	
Motor and travel	247		180	
Security	1,879		2,715	
Telephone	2,209		3,474	
Equipment hire and replacement	1,929		2,603	
Printing, postage stationery and computer	14,069		20,081	
Performing Rights Society (net)	(844)		527	
Advertising	21,896		15,137	
Audit fees	-		8,650	
Accountancy fees	9,200		-	
Professional Advice	871		772	
Bank charges	575		703	
Depreciation	59,413		55,195	
Transaction & Online Charges	15,453		-	
Membership expenses	299		250	
Sundry expenses	2,419		2,203	
Irrecoverable VAT	8,116		9,168	
Corporation tax	(1,795)		(15,421)	
		375,835		358,208
<b>Profit for the year</b>		74,726		(44,451)
<b>Retained by Tivmanco</b>		-		-
<b>Surplus/ Loss for year</b>		74,726		(44,451)