

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)

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SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees	M Ashcroft (appointed 10 August 2021) R Batson J Beak (appointed 5 August 2021) M Burrows, Chair P Davies (resigned 21 October 2022) R Ellis (resigned 23 July 2022) C Mckay-Haynes (resigned 3 November 2022) A Munden (appointed 12 May 2022) A Rees-Myers (resigned 3 November 2022) S Smith D Ward
Company registered number	04310613
Charity registered number	1090394
Registered office	2 Station Road Sheringham Norfolk NR26 8RE
Company secretary	Claire Carter
Independent examiners	Larking Gowen LLP Chartered Accountants King Street House 15 Upper King Street Norwich NR3 1RB

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the financial statements of the group and the company for the 1 April 2021 to 31 March 2022.

Since the company and the group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and activities

Achievements and performance

a. Review of activities

The Theatre and Hub café were closed until 17th May 2021, due to Covid-19 lock-down restrictions which had re-commenced on 4th January 2021. Operating staff were fully furloughed or flexibly furloughed during this time. Senior Managers for the most part continued working or were flexibly furloughed.

On re-opening on Monday 17th May 2021, limits on audience numbers and seating in the café continued for the first part of the year.

In the first quarter of the financial year there were three theatre productions: Joyce Grenfell which was a fundraising event, Ghosted, an Arts Council commissioned piece by James McDermott, with young actors, which took place along the seafront and 'Two' by Jim Cartwright starring Joyce Branagh and Howard Saddler.

An outdoor music concert was organised again this year in Mannington Gardens this time with the London Chamber Orchestra. The funded event was attended by 100 people and was organised in conjunction with NNDC.

By the summer restrictions had been lifted. However, the theatre continued to maintain some social distancing in the auditorium with 100 seats per performance instead of the full 160. The summer productions were Our Town by Thornton Wilder and The Morning After – a farce written by local actor Ryan Starling.

Other outside theatre companies returned from July 2021.

In the Autumn The 1940s singalong returned and there was also a fundraising amateur production of Radio Fun performed by the Little Theatre Players.

Following last year's lockdown pantomime format, the Little Theatre again worked alongside Norfolk Music Hub and St George's Theatre, producing a one-hour long pantomime Jack and the Beanstalk (written by Nick Earnshaw) and which was performed with just four actors. Again, the show was very well received and was live streamed to schools across the county. This year there were 20 public shows, unfortunately one of the actors tested positive for Covid-19 (the omicron virus) just after Christmas and 2 performances had to be cancelled.

Popular local amateur dramatic groups returned to hire the theatre at the beginning of 2022 with Stage Direct performing Miss Marble Takes a Break and CSODs performing Lady in a Van.

The youth workshops programme recommenced from September 2021. Drama workshops via Zoom had taken place throughout the pandemic

Local Authorities continued their grant support for the financial year – North Norfolk District Council (£38k), Norfolk County Council (£4.8k) and Sheringham Town Council (£1k- for youth projects). Other grants and funding have also been obtained including the round two DCMS Cultural Recovery Fund (£37k) as well as other emergency support funds totalling £22k.

SHERINGHAM LITTLE THEATRE SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

Donations of £12.7k were received during the year, including £1k in memory of Lord Walpole and £1.2k raised by Duncan Baker.

The Little Theatre received £56k from Hiscox in relation to a Business Interruption Claim for the lockdown closure periods.

At the start of the new financial year a fundraising committee has put together a programme of activities to ensure that funds continue to be raised by the Little Theatre. A donation has been received of £50,000 from the Joyce Utting Will Trust.

A refreshed sponsorship programme is in place for 2022-23 and continues to be an important source of income for the Little Theatre. We have maintained 6 sponsors and have 1 new sponsor.

Theatre Productions for 2022 commenced with When We Are Married, and a youth production in the form of musical showcase A Celebration of Musical Theatre. The summer has seen the return of the Summer Repertory and plays included Stags and Hens, Table Manners, Wait Until Dark and a production of Summer Holiday in conjunction with MT Productions. The pantomime will be Snow White and will be written and Directed by Nick Earnshaw.

We will continue with a ticketing service to the Sheringham and Cromer Choral Society for their performances at St Peter's Church, Sheringham and Cromer Parish Church.

Work has commenced with the NNDC on a project for remedial works and refurbishment of the Hub.

Despite the impact of the Covid-19 pandemic we intend to continue our programmes, work with young people and contribute to the community. It is vital that we continue to seek funding and increase our sponsorship.

b. Performance

Income from operational activities increased by 55% (2021: fell by 75.1%), and total costs increased by 41.5% (2021: decreased by 55.6%). Direct cost of productions were 171% higher (2021: 81.9% lower) than the previous year, with support costs being 13.5% higher (38.8% lower) than the previous year.

The Theatre is reporting an increase in funds of £12,045 for the year ending 31 March 2022 (2021 - an increase in funds of £43,000), The Charity's interim budget for the new financial year 2022-23 shows an expected small surplus going forward following the lifting of the Covid lockdown regulations, and the opening up of the Theatre.

SHERINGHAM LITTLE THEATRE SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Financial review

a. Going concern

The Trustees have considered the Charity's position at the time of signing the financial statements. The considerable support received and some difficult choices as to operations means that there are sufficient available funds for the theatre to continue and to set in place plans for 2022/23 that ensure the Theatre can continue to be an essential part of the offering to North Norfolk residents and visitors.

Based on this, the Trustees have concluded that they have a reasonable expectation that the Charity will have adequate resources to continue in operational existence for the foreseeable future, and at least twelve months from the date of signing these financial statements, they therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

b. Reserves policy

The Society reviews its reserves policy annually. This review encompasses the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. The review concluded that, based on its general reserves policy, a general reserve fund of in excess of £85,000 should be sought as this reflects the ongoing costs of the charity, on the assumption that the reserves should cover costs if the theatre were forced to suspend its operations for a period of four months. At 31 March 2022, the unrestricted reserves totalled £264,358. This represents the surplus on activities undertaken by the Society and is used to finance future activities. Reserves include £128,871* designated for the redevelopment of the theatre building. Restricted reserves were £Nil at the balance sheet date.

(*£47.4k is allocated for the depreciation of assets purchased 2018/19 and 2019/20)

Structure, governance and management

a. Constitution

The company and the group is registered as a charitable company limited by guarantee and was set up by a Trust deed .

The company and the group is constituted under a Trust deed and is a registered charity number 1090394.

b. Methods of appointment or election of Trustees

The management of the Group and the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

c. Pay policy for senior staff

Sheringham Little Theatre Society employed 18 staff during the financial year, working on the Front of House, in Technical Services, and in the Hub cafe, as well as support staff covering the finance and administration functions in the upstairs office.

Sheringham Little Theatre is committed to equality of opportunity for all, whether that be our employees, applicants for employment, volunteers, supporters or users of our services. We work to ensure that no person is discriminated against, for example by having fair systems in place for recruitment and selection and pay and recognition, and believe that everyone has the right to be treated fairly. We understand our responsibilities under the Equality Act 2010, with a no tolerance approach to discrimination on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

The Charity is committed to the training and development of all staff and with staff delivering such a variety of work for the Charity, Sheringham Little Theatre Society has a bespoke job evaluation scheme in order to assess each role.

Pay is reviewed annually and as for the key management personnel is benchmarked against pay levels in other provincial theatres of a similar size as well as being mindful of pay levels in the local area.

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charity 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the charity 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 Group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
M Burrows
(Trustee)

Date: 23/11/2022



.....
J Beak
(Trustee)

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Independent examiner's report to the Trustees of Sheringham Little Theatre Society ('the Group')

I report to the charity Trustees on my examination of the consolidated accounts of the Group comprising the Sheringham Little Theatre Society ('the parent charity') and its subsidiary undertakings for the year ended 31 March 2022.

Responsibilities and basis of report

As the Trustees of the parent charity (and its directors for the purposes of company law) you are responsible for the preparation of the consolidated accounts of the Group in accordance with the requirements of the Companies Act 2006 ('the 2006 Act') and you have chosen to prepare consolidated accounts for the Group. You are satisfied that the accounts of both parent charity and the Group are not required by either company or charity law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the consolidated accounts 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 the Group's accounts carried out under section 152 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 152(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the consolidated accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since the Trustees have opted to prepare consolidated accounts for the Group 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 Institute of Chartered Accountants in England and Wales, 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 parent charity and its subsidiaries 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.

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the parent charity and the charity's Trustees as a body, for my work or for this report.

Signed: 

Dated: 25 November 2022

Julie Grimmer

FCA DChA

Larking Gowen LLP
Chartered Accountants
King Street House 15 Upper King Street
Norwich
NR3 1RB

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Income from:					
Donations and legacies:	3				
Total Grants and Donations		75,523	43,780	119,303	221,855
Other donations and legacies		7,295	-	7,295	5,265
Charitable activities	4	144,145	-	144,145	92,907
Other trading activities	5	175,443	-	175,443	29,566
Investments	6	17	-	17	152
Total income		402,423	43,780	446,203	349,745
Expenditure on:					
Raising funds		90,788	-	90,788	56,868
Charitable activities		253,533	89,837	343,370	249,877
Total expenditure		344,321	89,837	434,158	306,745
Net movement in funds		58,102	(46,057)	12,045	43,000
Reconciliation of funds:					
Total funds brought forward		206,256	46,057	252,313	209,313
Net movement in funds		58,102	(46,057)	12,045	43,000
Total funds carried forward		264,358	-	264,358	252,313

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 34 form part of these financial statements.

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 04310613

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	75,559	92,505
		<u>75,559</u>	<u>92,505</u>
Current assets			
Stocks	14	1,524	-
Debtors	15	26,676	42,433
Cash at bank and in hand		227,468	181,538
		<u>255,668</u>	<u>223,971</u>
Creditors: amounts falling due within one year	16	(66,869)	(64,163)
Net current assets		<u>188,799</u>	<u>159,808</u>
Total net assets		<u><u>264,358</u></u>	<u><u>252,313</u></u>
Charity funds			
Restricted funds	17	-	46,057
Unrestricted funds	17	264,358	206,256
Total funds		<u><u>264,358</u></u>	<u><u>252,313</u></u>


The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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


.....
M Burrows
(Trustee)
Date: 23/11/2022


.....
J Beak
(Trustee)

The notes on pages 14 to 34 form part of these financial statements.

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 04310613

CHARITY BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	75,559	92,505
Investments	13	100	100
		<u>75,659</u>	<u>92,605</u>
Current assets			
Debtors	15	19,516	20,728
Cash at bank and in hand		217,827	181,013
		<u>237,343</u>	<u>201,741</u>
Creditors: amounts falling due within one year	16	(125,682)	(116,258)
Net current assets		<u>111,661</u>	<u>85,483</u>
Total assets less current liabilities		<u>187,320</u>	<u>178,088</u>
Total net assets		<u><u>187,320</u></u>	<u><u>178,088</u></u>
Charity funds			
Restricted funds	17	-	46,057
Unrestricted funds	17	187,320	132,031
Total funds		<u><u>187,320</u></u>	<u><u>178,088</u></u>

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 04310613

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

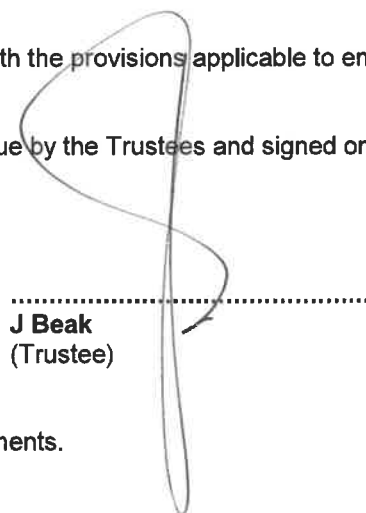
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The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
M Burrows
(Trustee)

Date: 23/11/2022



.....
J Beak
(Trustee)

The notes on pages 14 to 34 form part of these financial statements.

SHERINGHAM LITTLE THEATRE SOCIETY
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	56,989	41,286
Cash flows from investing activities		
Dividends, interests and rents from investments	17	152
Purchase of tangible fixed assets	(11,076)	(7,455)
Net cash used in investing activities	(11,059)	(7,303)
Change in cash and cash equivalents in the year	45,930	33,983
Cash and cash equivalents at the beginning of the year	181,538	147,555
Cash and cash equivalents at the end of the year	227,468	181,538

The notes on pages 14 to 34 form part of these financial statements

SHERINGHAM LITTLE THEATRE SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Sheringham Little Theatre Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

1.2 Company status

The company is a company limited by guarantee registered in England and Wales. The registered address is 2 Station Road, Sheringham, Norfolk, NR26 8RE. The members of the company are the Trustees named on page . In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Going concern

The Trustees have considered the Charity's position at the time of signing the financial statements, and in particular the Trustees have considered the current financial strength of the Charity, together with the range of measures the Trustees can take to mitigate ongoing costs should they need to.

Based on this, the Trustees have concluded that they have a reasonable expectation that the Charity will have adequate resources to continue in operational existence for the foreseeable future, and at least twelve months from the date of signing these financial statements, they therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

SHERINGHAM LITTLE THEATRE SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

1.6 Basis of consolidation

The financial statements consolidate the accounts of Sheringham Little Theatre Society and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the company was a surplus of £9,232 (2021: £129,734)

1.7 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

SHERINGHAM LITTLE THEATRE SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

1.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Long-term leasehold property	- 10% Straight line basis
Fixtures and fittings	- 20% Straight line basis

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.10 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.11 Volunteers

The value of services provided by volunteers and suppliers is not incorporated into the financial statements.

1.12 Operating Leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.13 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.14 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.15 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

1.16 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

1.17 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.18 Taxation

The Group is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.19 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

SHERINGHAM LITTLE THEATRE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

1.20 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Allocation of expenditure between direct and support costs, and within that to governance and generating funds, is on the basis of staff time calculations compiled by head of operations.

Critical areas of judgment:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilization and the physical condition of the assets. See note 12 for the carrying amount of property, plant and equipment and note 1.8 for the useful economic lives for each class of assets.

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3. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	19,450	-	19,450	15,934
Grants	56,073	43,780	99,853	205,921
Membership	7,295	-	7,295	5,265
	<u>82,818</u>	<u>43,780</u>	<u>126,598</u>	<u>227,120</u>
<i>Total 2021</i>	<u>97,833</u>	<u>129,287</u>	<u>227,120</u>	

4. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Operation of Theatre	140,754	-	140,754	26,872
Coronavirus Job Retention Scheme	3,391	-	3,391	66,035
	<u>144,145</u>	<u>-</u>	<u>144,145</u>	<u>92,907</u>
<i>Total 2021</i>	<u>87,407</u>	<u>5,500</u>	<u>92,907</u>	

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5. Income from non charitable trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Tax recoverable	7,151	7,151	-
Other income	56,748	56,748	-
Subsidiary Income	111,544	111,544	29,566
Total 2022	<u>175,443</u>	<u>175,443</u>	<u>29,566</u>
<i>Total 2021</i>	<u>29,566</u>	<u>29,566</u>	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment income	<u>17</u>	<u>17</u>	<u>152</u>
<i>Total 2021</i>	<u>152</u>	<u>152</u>	

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7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Operation of Theatre	102,733	240,637	343,370	249,877
<i>Total 2021</i>	<i>37,909</i>	<i>211,968</i>	<i>249,877</i>	

Analysis of support costs

	Operation of Theatre 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	125,308	125,308	116,567
Depreciation	28,024	28,024	26,469
Rates, light and heat	18,957	18,957	11,718
Theatre and Maintenance	9,040	9,040	9,527
Hire of Equipment	497	497	672
Cleaning	3,102	3,102	2,803
Insurance	4,706	4,706	4,247
Advertising and Marketing	8,135	8,135	3,917
General Office Equipment	6,950	6,950	6,363
Motor and travelling	3,490	3,490	1,602
Computer maintenance	11,957	11,957	10,851
Subscriptions and licenses	415	415	370
Bank and credit card charges	2,674	2,674	1,346
Sundry	1,606	1,606	658
Contract Staff	7,848	7,848	9,448
Legal and professional	1,000	1,000	-
Governance costs	6,928	6,928	5,410
Total 2022	240,637	240,637	211,968
<i>Total 2021</i>	<i>211,968</i>	<i>211,968</i>	

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8. Independent examiner's remuneration

	2022 £	<i>2021</i> £
Fees payable to the charity's independent examiner for the independent examination of the charity's annual accounts	3,300	3,300

9. Staff costs

	Group 2022 £	<i>Group 2021</i> £	Company 2022 £	<i>Company 2021</i> £
Wages and salaries	167,649	155,612	123,734	118,137
Social security costs	6,406	4,254	5,399	3,966
Contribution to defined contribution pension schemes	2,510	1,919	2,101	1,716
	176,565	161,785	131,234	123,819

During the year, payments in lieu of notice of £Nil (2021: £3,884) were made to staff.

The average number of persons employed by the charity during the year was as follows:

Group 2022 No.	<i>Group 2021</i> No.
16	14

No employee received remuneration amounting to more than £60,000 in either year.

The Board considers the key management personnel of the Sheringham Little Theatre Society in charge of directing and controlling the Theatre to comprise the Trustees, the Theatre Director and the Finance Manager. In the previous period the Technical Manager, the Kitchen Manager and the Marketing Manager were also included in Key management personnel. The total employee benefits of the key management personnel were £69,541 (2021: £84,900).

Pay is reviewed annually and in view of the nature of the charity is benchmarked against pay levels in other provincial theatres of a similar size. All trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 24.

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Support Costs and Trading Activity

	2022 £	2021 £
Salaries and Wages	161,974	152,812
Social security	6,156	4,069
Pension	2,510	1,919
	<u>170,640</u>	<u>158,800</u>

Performance Costs

	2022 £	2021 £
Salaries and Wages	5,675	2,800
Social Security	250	185
	<u>5,925</u>	<u>2,985</u>

10. Turnover

The whole of the turnover is attributable to the operation of the theatre.

All turnover arose within the United Kingdom.

11. Net income/(expenditure)

This is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	28,022	26,468
Operating lease rental	1,113	1,113

During the year, no Trustees received any remuneration (2021 - £Nil)

During the year, no Trustees received any benefits in kind (2021 - £Nil)

During the year, no Trustees received any reimbursement of expenses (2021 - £Nil)

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12. Tangible fixed assets

Group

	Long-term leasehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2021	144,385	313,547	457,932
Additions	-	11,076	11,076
At 31 March 2022	<u>144,385</u>	<u>324,623</u>	<u>469,008</u>
Depreciation			
At 1 April 2021	79,189	286,238	365,427
Charge for the year	14,438	13,584	28,022
At 31 March 2022	<u>93,627</u>	<u>299,822</u>	<u>393,449</u>
Net book value			
At 31 March 2022	<u>50,758</u>	<u>24,801</u>	<u>75,559</u>
<i>At 31 March 2021</i>	<u>65,196</u>	<u>27,309</u>	<u>92,505</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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12. Tangible fixed assets (continued)

Company

	Long-term leasehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2021	144,385	313,547	457,932
Additions	-	11,076	11,076
At 31 March 2022	<u>144,385</u>	<u>324,623</u>	<u>469,008</u>
Depreciation			
At 1 April 2021	79,189	286,238	365,427
Charge for the year	14,438	13,584	28,022
At 31 March 2022	<u>93,627</u>	<u>299,822</u>	<u>393,449</u>
Net book value			
At 31 March 2022	<u><u>50,758</u></u>	<u><u>24,801</u></u>	<u><u>75,559</u></u>
At 31 March 2021	<u><u>65,196</u></u>	<u><u>27,309</u></u>	<u><u>92,505</u></u>

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13. Fixed asset investments

	Investments in subsidiary companies £
charity	
Cost or valuation	
At 1 April 2021	100
At 31 March 2022	100
Net book value	
At 31 March 2022	100
At 31 March 2021	100

14. Stocks

	Group 2022 £	Group 2021 £
Bar stock	1,524	-

An impairment charge of £Nil (2021: £446) was recognised as an expense in the year.

15. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Due within one year				
Trade debtors	4,596	-	4,578	-
Other debtors	2,218	-	2,218	-
Prepayments and accrued income	12,720	20,930	12,720	20,728
Tax recoverable	7,142	21,503	-	-
	26,676	42,433	19,516	20,728

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16. Creditors: Amounts falling due within one year

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Trade creditors	22,060	<i>15,934</i>	19,657	<i>14,404</i>
Amounts owed to group undertakings	-	-	65,592	<i>54,696</i>
Other taxation and social security	2,441	<i>4,788</i>	2,441	<i>4,788</i>
Other creditors	1,379	<i>622</i>	1,139	<i>587</i>
Accruals and deferred income	40,989	<i>42,819</i>	36,853	<i>41,783</i>
	66,869	<i>64,163</i>	125,682	<i>116,258</i>
	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Deferred income at 1 April 2021	21,068	<i>29,716</i>	21,068	<i>28,986</i>
Resources deferred during the year	22,909	<i>21,068</i>	22,909	<i>21,068</i>
Amounts released from previous periods	(21,068)	<i>(29,716)</i>	(21,068)	<i>(28,986)</i>
	22,909	<i>21,068</i>	22,909	<i>21,068</i>

Deferred income consists of amounts received before the year end relating to performances after the year end.

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17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Designated Funds - all funds	116,787	-	(9,419)	21,503	128,871
General funds					
General Funds - all funds	89,469	402,423	(334,902)	(21,503)	135,487
Total Unrestricted funds	206,256	402,423	(344,321)	-	264,358
Restricted funds					
North Norfolk District Council	-	38,000	(38,000)	-	-
Norfolk County Council	-	4,780	(4,780)	-	-
Emergency business grant	25,000	-	(25,000)	-	-
Lockdown and local restriction grants	16,057	-	(16,057)	-	-
Theatres Trust	5,000	-	(5,000)	-	-
Other grants	-	1,000	(1,000)	-	-
	46,057	43,780	(89,837)	-	-
Total of funds	252,313	446,203	(434,158)	-	264,358

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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

The designated fund relates to money put aside for the redevelopment of the theatre building in Sheringham.

The restricted fund relates to grants give to the charity to aid with developing youth participation and education in theatre.

North Norfolk District Council - To assist in the provision/operation of a theatre in Sheringham.

Norfolk County Council - To assist in the provision/operation of a theatre in Sheringham.

Arts Council Emergency Response Fund - To provide some financial assistance during the Covid-19 emergency.

Lockdown and local restriction Grants - Financial support for businesses during the Covid-19 emergency.

Theatres Trust - To fund fascia boards and new signage.

Other Grants - includes grants received from Sheringham Town Council to assist in the provision/operation of a theatre in Sheringham.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2021 £</i>
Unrestricted funds				
Designated funds				
Designated Funds - all funds	126,205	-	(9,418)	116,787
General funds				
General Funds - all funds	83,108	214,958	(208,597)	89,469
Total Unrestricted funds	209,313	214,958	(218,015)	206,256
Restricted funds				
North Norfolk District Council	-	38,000	(38,000)	-
Norfolk County Council	-	4,780	(4,780)	-
Arts council emergency response	-	20,000	(20,000)	-
Emergency business grant	-	25,000	-	25,000
Rewriting Rural Racism grant	-	17,950	(17,950)	-
Lockdown and local restriction grants	-	16,057	-	16,057
Theatres Trust	-	5,000	-	5,000
Other grants	-	8,000	(8,000)	-
	-	134,787	(88,730)	46,057
Total of funds	209,313	349,745	(306,745)	252,313

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NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	75,559	75,559
Current assets	255,668	255,668
Creditors due within one year	(66,869)	(66,869)
Total	<u>264,358</u>	<u>264,358</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	92,505	-	92,505
Current assets	177,914	46,057	223,971
Creditors due within one year	(64,163)	-	(64,163)
Total	<u>206,256</u>	<u>46,057</u>	<u>252,313</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	<i>Group 2021 £</i>
Net income for the year (as per Statement of Financial Activities)	12,045	43,000
Adjustments for:		
Depreciation charges	28,022	26,469
Interest received	(17)	(152)
Decrease/(increase) in stocks	(1,524)	446
Decrease/(increase) in debtors	15,757	(5,655)
Increase/(decrease) in creditors	2,706	(22,822)
Net cash provided by operating activities	56,989	41,286

20. Analysis of cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>
Cash in hand	227,468	181,538
Total cash and cash equivalents	227,468	181,538

21. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	181,538	45,930	227,468
	181,538	45,930	227,468

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22. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £2,510 (2021 - £1,918). Contributions totaling £627 (2021 - £400) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

At 31 March 2022 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Amounts payable other				
Not later than 1 year	1,112	1,112	1,112	1,112
Later than 1 year and not later than 5 years	1,483	2,595	1,483	2,595
	<u>2,595</u>	<u>3,707</u>	<u>2,595</u>	<u>3,707</u>
	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Amounts payable Land & Buildings				
Not later than 1 year	1	1	1	1
Later than 1 year and not later than 5 years	3	4	3	4
After more than 5 years	-	-	-	-
	<u>4</u>	<u>5</u>	<u>4</u>	<u>5</u>

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NOTES TO THE FINANCIAL STATEMENTS
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24. Related party transactions

The society has a close relationship with the North Norfolk District Council. An annual grant (note 3) is received from this body. The freehold property from which the Society operates is owned by North Norfolk District Council (note 23).

Peter Davies, Trustee of Sheringham Little Theatre Society Limited, is a Director of Breakwater IT Limited. Sheringham Little Theatre Society Limited purchased IT equipment from Breakwater IT Limited costing £10,434 during the year (2021: £7,246). A creditor balance of £Nil (2021: £660) was outstanding at the year end.

Richard Batson, Trustee of Sheringham Little Theatre Society Limited performed work in the form of freelance publicity services at a rate of £20 per hour totalling £2,870 during the year (2021: £2,265). A creditor balance of £Nil was outstanding at the year end (2021: £Nil).

25. Principal subsidiaries

Sheringham Hub Limited

Subsidiary name	Sheringham Hub Limited
Company registration number	08133831
Basis of control	Shareholding
Equity shareholding %	100%
Total assets as at 31 March 2022	£83,917
Total liabilities as at 31 March 2022	£6,779
Total equity as at 31 March 2022	£77,138
Turnover for the year ended 31 March 2022	£190,644
Expenditure for the year ended 31 March 2022	£166,795
Other operating income for the year ended 31 March 2022	£132
Profit for the year ended 31 March 2022	£2,813