

EARTHBEAT LIMITED
STATEMENT OF ACCOUNTS
YEAR ENDED 31ST MARCH 2021

COMPANY NUMBER: 5046503

CHARITY NUMBER: 1102705

EARTHBEAT LIMITED

MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31ST MARCH 2021

The management committee present their annual report and the unaudited accounts for the year ended 31ST March 2021

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charities governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1st January 2019.

Reference and administrative information

Charity name	Earthbeat Limited	
Charity registration number	1102705	
Company registration number	5046503	
Registered Office and Operational Address	The Earthbeat Centre Marske Road Saltburn-by-the-Sea Cleveland TS12 1QA	
Management Committee	Trevor Longden Geoffrey Peacock Sheila Wilson	Chair Treasurer
Company secretary and manager	Mr Anthony Galuidi	
Independent Examiner	Mr J Gresham FCCA Azets New Garth House Upper Garth Gardens Guisborough TS14 6HA	
Bankers	The Co Operative Bank	

EARTHBEAT LIMITED

MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31ST MARCH 2021

Structure, governance and management

Governing Document

The charity is a company, limited by guarantee, incorporated on 17th February 2004 and registered as a charity on 18th March 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of its being wound up, members are required to contribute an amount not exceeding £10.

Recruitment, appointment and training of Trustees

The trustees are recruited from a pool of individuals who support the organisation. Potential trustees are briefed by the manager and given copies of relevant policies and procedures.

Risk management

The trustees constantly review the risks to which the charity is exposed and to this end they put in place systems and strategies to minimise those risks.

Organisational Structure

The trustees are responsible for the strategic objectives of the charity. The day to day running of the organisation is delegated to the manager.

Related Parties

There are no related parties other than Trustees and their immediate family.

Objectives and Activities

The objects of the charity as set out in its Memorandum of Association are:

To advance the education of people with learning disabilities in East Cleveland through the medium of drama.

To this end the charity runs a theatre company called 'Earthbeat' which it runs to provide a public benefit.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities.

EARTHBEAT LIMITED

MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31ST MARCH 2021

Achievements and performance

Chairman's report

CURRENT STATUS

Earthbeat is an independent theatre company. All staff are employed by Earthbeat Ltd and all funds and assets are controlled by the trustees and governing body of Earthbeat. Earthbeat is a charitable company and a company limited by guarantee. Earthbeat operates for five days each week, for 48 weeks each year.

We have been in situ, in the Earthbeat centre, for over six years now. The building continues to provide an excellent base for Earthbeat Theatre Company, our tenants and our regular hirers.

We still find ourselves in the grip of the pandemic so we are working in ways that are very different to our normal practices.

SHOWS (and other events)

We have produced no shows, events or workshops in the last 12 months due to covid restrictions.

INCOME SOURCES

Our main source of income is still provided by drama fees from our performers (funded by the council as part of their social care package). Over the last year we have not received, or have received much lower, payments for our services. As such our funds are somewhat depleted and we have used our reserves to supplement our costs

We have received very little funding for our hires because classes have not been allowed to run. We have not charged our tenants for most of the year. As such our income is much lower than usual.

FUNDRAISING

Fortunately, we received a grant of £30,400 from the CAF resilience fund to support our increased costs. We also received a substantial grant of £27,545 from the council which was delivered over 6 months to help offset our losses.

TENANTS

For most of the year the tenants have been unable to deliver their services so we have not charged them rent. During the year they all received government grants so we charged them a modest rent when they received their funds which were, in part, to help pay for their rent.

PANDEMIC

The pandemic has caused a great deal of hardship to our performers due to the isolation they have been forced to endure but we have kept in contact with them all and offered outreach work wherever possible.

EARTHBEAT LIMITED

MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Financial review

The Statement of Financial Activities shows the result of the charity for the year. Unrestricted reserves of £404,867 remain at 31st March 2021

Reserves Policy

The Trustees have established that the organisation should aim to build up free reserves of approximately 6 months' running costs, which would be around £166,000. As at 31st March 2021 £247,355 of reserves relate to fixed assets leaving free reserves at 31st March 2021 of £158,251.

Statement of trustees' (directors') responsibilities

The trustees (who are also directors of Earthbeat Limited 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 the year. 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 (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 proper 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.

Approved by the Committee

T Longden
Trustee
26th November 2021

EARTHBEAT LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EARTHBEAT LIMITED

I report on the accounts of the company for the year ended 31st March 2021 which are set out on pages 6 to 12.

Responsibilities and basis of report

As the charity trustees of the 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 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 company'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

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 that in any material respect:

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.

Mr J Gresham FCCA
Azets
New Garth House
Upper Garth Gardens
GUISBOROUGH
TS14 6HA

EARTHBEAT LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31ST MARCH 2021

	Note	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
INCOME					
<i>Income from donations and legacies</i>					
Donations/Grants Receivable	2	58,072	-	58,072	307
<i>Income from charitable activities</i>					
Drama fees		239,874	-	239,874	314,233
Ticket sales		144	-	144	6,185
Room Hire		22,130	-	22,130	51,118
Miscellaneous		-	-	-	-
<i>Investment income</i>		-	-	-	30
Total income		<u>320,220</u>	<u>-</u>	<u>320,220</u>	<u>371,873</u>
EXPENDITURE					
<i>Expenditure on charitable activities</i>					
Costs of main activity	3	321,604	-	321,604	345,458
Other costs	3	10,544	-	10,544	10,955
Total expenditure		<u>332,148</u>	<u>-</u>	<u>332,148</u>	<u>356,413</u>
Net income		(11,928)	-	(11,928)	15,460
Transfer between funds		-	-	-	-
Net movement in funds for the year		(11,928)	-	(11,928)	15,460
Fund balances brought forward		417,534	-	417,534	402,074
FUND BALANCES CARRIED FORWARD		<u><u>405,606</u></u>	<u><u>-</u></u>	<u><u>405,606</u></u>	<u><u>417,534</u></u>

EARTHBEAT LIMITED
BALANCE SHEET
AS AT 31ST MARCH 2021

		2021	2020
	Note	£	£
FIXED ASSETS	4	247,355	236,477
CURRENT ASSETS			
Debtors	5	8,402	1,676
Cash at Bank and in Hand		159,012	184,865
		<u>167,414</u>	<u>186,541</u>
CURRENT LIABILITIES			
Creditors & Accruals	6	<u>(9,163)</u>	<u>(5,484)</u>
		158,251	181,057
NET ASSETS		<u>405,606</u>	<u>417,534</u>
FUNDS	9		
Unrestricted Funds		405,606	417,534
Restricted Funds		<u>-</u>	<u>-</u>
		<u>405,606</u>	<u>417,534</u>

For the year ending 31st March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- 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 Committee:

G Peacock :Trustee

Date 26th November 2021

EARTHBEAT LIMITED
NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Charity information

Earthbeat Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Earthbeat Centre, Marske Road, Saltburn by the Sea , TS12 1QA.

Accounting convention

These accounts have been prepared in accordance with the Companies Act 2006 and 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 (FRS102) effective 1st January 2019. The charity is a public benefit entity as defined by FRS 102.

The accounts are prepared in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Charitable Funds

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of restricted funds are set out in the notes to the accounts.

Incoming Resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that the income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require the deferral of the amount. Income tax recoverable in relation to donations received under gift aid or deeds of covenant is recognised at the time of donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of VAT and other sales related taxes.

EARTHBEAT LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (Continued)

Tangible Fixed Assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold Property Improvements	2% per annum
Equipment	10% per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the net income for the year.

Recoverable amount is the higher of fair value, less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to the recoverable amount immediately in income/expenditure for the year, unless the relevant asset is carried in at a revalued amount, in which case the impairment loss is treated as revaluation decrease.

Recognised impairment losses are reversed if and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined if no carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as revaluation increase.

Basic Financial Assets

Basic financial assets which include debtors, cash and bank balances, are initially measured at transaction price including transaction costs and subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of future receipts discounted at a market rate of interest. Financial assets classified as receivable within 1 year are not amortised.

Basic Financial Liabilities

Basic Financial Liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within 1 year are not amortised. Debt instruments are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

EARTHBEAT LIMITED

NOTES TO THE ACCOUNTS

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision effects only that period, or in the period of revision and future periods where the provision effects both current and future periods.

2.	DONATIONS/GRANTS RECEIVABLE	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
		£	£	£	£
	CAF Resilience fund	-	30,400	30,400	-
	Council grants		27,546	27,546	-
	Other Grants and Donations		126	126	307
		<u>58,072</u>	<u>-</u>	<u>58,072</u>	<u>307</u>

Of total income of £320,220 in 2021 (2020: £371,873), £NIL (2020: £NIL) was credited to restricted funds and £320,220 (2020:£371,873) was credited to unrestricted funds.

3.	TOTAL EXPENDITURE	Charitable Activities	Other Costs	2021 Total	2020 Total
		£	£	£	£
	Costs directly allocated to activities				
	Professional fees	56,090	-	56,090	33,943
	Venue hire	-	-	-	-
	Equipment and repairs	9,443	-	9,443	25,877
	Costumes & props	686	-	686	1,714
	Printing & publicity	75	-	75	720
	Admin & telephone	1,619	-	1,619	1,966
	Insurance	3,619	-	3,619	3,572
	Food & refreshments	10	-	10	1,887
	Transport	33,185	-	33,185	46,978
	Performers' expenses	70	-	70	4,350
	Heat, Light and Water	10,676	-	10,676	9,131
	Sundry Expenses	492	-	492	606
	Lease of Premises	4,100	-	4,100	4,100
	Legal	180	-	180	180
	Cleaning of premises	3,663	-	3,663	4,942
	Depreciation	7,874	-	7,874	7,668
	Bank Charges	-	-	-	-
	Donations	1,000	-	1,000	510
	Accountancy	-	606	606	570
	Support costs allocated to activities on the basis of usage				
	Wages and Salaries	168,166	8,851	177,017	185,870
	Pensions	20,656	1,087	21,743	21,829
		<u>321,604</u>	<u>10,544</u>	<u>332,148</u>	<u>356,413</u>

Of £332,148 expenditure in 2021 (2020: £356,413) £Nil was charged to restricted funds (2020: £6,000) and £332,148 was charged to unrestricted funds (2020: £356,413)

EARTHBEAT LIMITED
NOTES TO THE ACCOUNTS

4. FIXED ASSETS

	Leasehold Improvements £	Equipment £	Total £
Tangible Assets			
COST			
At 1 st April 2020	236,833	43,804	280,637
Additions	18,177	575	18,752
	<u>255,010</u>	<u>44,379</u>	<u>299,389</u>
At 31 st March 2021	<u>255,010</u>	<u>44,379</u>	<u>299,389</u>
DEPRECIATION			
At 1 st April 2020	25,039	19,121	44,160
Charge for the year	5,348	2,526	7,874
	<u>30,387</u>	<u>21,647</u>	<u>52,034</u>
At 31 st March 2021	<u>30,387</u>	<u>21,647</u>	<u>52,034</u>
NET BOOK VALUE			
At 31 st March 2021	<u>224,623</u>	<u>22,732</u>	<u>247,355</u>
At 31 st March 2020	<u>211,794</u>	<u>24,683</u>	<u>236,477</u>

5. DEBTORS

	2021 £	2020 £
Other debtors and prepayments	8,402	1,676
	<u>8,402</u>	<u>1,676</u>

6. CREDITORS AND ACCRUALS

	2021 £	2020 £
Social Security and Other Taxes	3,703	3,524
Other Creditors	4,884	1,540
Accruals	576	420
	<u>9,163</u>	<u>5,484</u>

7. EMPLOYEE EMOLUMENTS

There were no employees whose remuneration defined for taxation purposes amounted to greater than £60,000.

	2021 £	2020 £
Wages and Salaries	166,161	173,008
Social Security costs	10,856	12,862
Pension	21,743	21,829
	<u>198,760</u>	<u>207,699</u>

The average number of employees during the year was 7 (2020: 7)

8. TRUSTEE EXPENSES

No expenses were paid to Trustees in the year.

EARTHBEAT LIMITED
NOTES TO THE ACCOUNTS

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fixed Assets	247,355	-	247,355
Net Current Assets	158,251	-	158,251
	<u>405,606</u>	<u>-</u>	<u>405,606</u>

10. MOVEMENT IN FUNDS

2021

	At 1 st April 2020 £	Income £	Expenditure £	Net Transfers £	At 31 st March 2021 £
Restricted Funds					
Morrisons	-	-	-	-	-
Yorkshire Building Society	-	-	-	-	-
Total	-	-	-	-	-
Unrestricted Funds					
General Funds	417,534	320,220	(332,148)	-	405,606
	<u>417,534</u>	<u>320,220</u>	<u>(332,148)</u>	<u>-</u>	<u>405,606</u>

2020

	At 1 st April 2019 £	Income £	Expenditure £	Net Transfers £	At 31 st March 2020 £
Restricted Funds					
Morrisons	4,000	-	(4,000)	-	-
Yorkshire Building Society	2,000	-	(2,000)	-	-
Total	6,000	-	(6,000)	-	-
Unrestricted Funds					
General Funds	396,074	371,873	(350,413)	-	417,534
	<u>402,074</u>	<u>371,873</u>	<u>(356,413)</u>	<u>-</u>	<u>417,534</u>

Purpose of restricted funds

Morrisons – This money was used towards double glazing.

Yorkshire Building Society – This money was used towards double glazing.