

Company registration number: 05234333

Charity registration number: 1106051

Frome Memorial Theatre Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 28 February 2021

Frome Memorial Theatre Trust

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Frome Memorial Theatre Trust

Reference and Administrative Details

Trustees	Mr H J Barnes, Chairman
	Mrs S L Elmer
	Mr T G J Stewart
	Mr S J Plenty
	Ms F L Cheeseman
	Mr R J Aspray
	Mr M D Moss
	Mr I B O'Connor
Principal Office	Memorial Theatre
	Christchurch Street West
	Frome
	Somerset
	BA11 1EB
	The charity is incorporated in England & Wales.
Company Registration Number	05234333
Charity Registration Number	1106051
Independent Examiner	Mr C Weare
	7a King Street
	Frome
	Somerset
	BA11 1BH

Frome Memorial Theatre Trust

Strategic Report for the Year Ended 28 February 2021

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 28 February 2021, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

The Trustees always endeavour to hold a reserve fund but, given that the organisation is run entirely by volunteers and relies on self-funding through donations and in-house fund raising, this is often difficult to achieve. However, the Trustees have looked to hold a cash contingency in case of unforeseen emergency expenditure. The charity largely relies on generated income from shows and hirings to meet its normal commitments.

The strategic report was approved by the trustees of the charity on 11 November 2021 and signed on its behalf by:



Mr I B O'Connor
Trustee

Frome Memorial Theatre Trust

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 28 February 2021.

Objectives and activities

Objects and aims

The objectives for which the Frome Memorial Theatre Trust was established include retaining responsibility for the successful maintenance and running of the Memorial Theatre and the adjacent Assembly Rooms with its car parking facilities in order to provide these facilities to the residents of Frome and the surrounding areas for the use by and for the performing arts.

Objectives, strategies and activities

During the year under review the Theatre and Assembly rooms complex was greatly affected by the Covid-19 pandemic. Both venues were closed on 27 March 2020 and all shows and functions were cancelled for the rest of the financial year. This had a dramatic affect on the income and subsequent monies available to spend on the Theatre complex. Funding for the Trust relied almost entirely on donations, government and charitable grants of £69,000.

Fundraising disclosures

Funding for the Trust is driven by income from events via ticket sales, bar and kiosk sales and rent received from the hire of both the theatre and the Assembly Rooms. In addition to this the Trust received over £69,000 in donations towards the running and upkeep of the complex.

Public benefit

Frome Memorial Theatre Trust comprises the Frome Memorial Theatre and the Assembly Rooms. From the theatre, the Trust provides entertainment and a variety of performing acts for public enjoyment. The Assembly Rooms provide a wide-ranging facility for social and theatre-related functions, a blood-donor centre, a rehearsal facility and a common function room. The Assembly Rooms are also hired for private functions.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Going concern

The Trustees believe that Frome Memorial Theatre Trust is a going concern, even though the Balance Sheet was overdrawn at the year end. In common with many other charities the effects of lockdowns caused by the COVID pandemic have proved to be very challenging but, with the support of major creditors, it is felt that the charity can continue with further grants and donations being sought from various sources.

Structure, governance and management

Nature of governing document

Frome Memorial Theatre Trust is a registered charity and company limited by guarantee governed by the Memorandum and Articles of Association and, as at the Balance Sheet date, had 8 members.

Frome Memorial Theatre Trust

Trustees' Report

Recruitment and appointment of trustees

Trustees are elected by the Members of the Trust at the Annual General Meeting; there must be between 5 and 9 trustees who must all be members of the charitable company. When recruiting new trustees the Board considers any specialist skills needed, considering either existing or new areas of operation when seeking potential candidates who could fulfil certain roles. They would then be proposed, elected and appointed by the management committee.

Organisational structure

The Board of Trustees administers the charity. The trustees have examined the major strategic, business and operational risks that the charity faces and are satisfied that systems are in place to adequately mitigate these risks.

Our Volunteers

The Trust is very involved in the local community and relies on voluntary help. Besides both the professional and amateur performers and artists who display their talents in the theatre, there are nearly 200 volunteers who assist with stewarding events and performances which helps with the overall running of the Trust and reducing staff costs to a manageable level.

The Trust extends its thanks to the many volunteers who help in the overall running of the Memorial Theatre and Assembly Rooms. Many of these volunteers are busy "behind the scenes" and their work can go un-noticed. It is a testament to their work that the Memorial Theatre continues to be such a successful venue.

Frome Memorial Theatre Trust

Trustees' Report

Major risks and management of those risks

The Trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

The work undertaken has identified that financial sustainability is the major financial risk for the charity. In light of this the charity regularly reviews its available liquid funds and looks to ensure that there is sufficient working capital.

A review of the non-financial risks arising from fire, health and safety of both performers and artists as well as the management of performing rights has been undertaken. These risks are managed by ensuring that the charity has robust policies and procedures in place together with regular training given, as necessary, to volunteers in the various operational areas.

The annual report was approved by the trustees of the charity on 11 November 2021 and signed on its behalf by:



Mr B O'Connor
Trustee

Frome Memorial Theatre Trust

Statement of Trustees' Responsibilities

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

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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 trustees of the charity on 11 November 2021 and signed on its behalf by:



Mr I B O'Connor
Trustee

Frome Memorial Theatre Trust

Independent Examiner's Report to the trustees of Frome Memorial Theatre Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 28 February 2021 which are set out on pages 8 to 18.

Respective responsibilities of trustees and examiner

As the charity's trustees of Frome Memorial Theatre Trust (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').

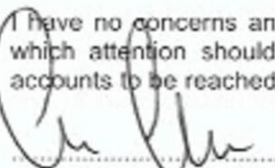
Having satisfied myself that the accounts of Frome Memorial Theatre Trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('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

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 Frome Memorial Theatre Trust 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 C Weare
Institute of Financial Accountants

7a King Street
Frome
Somerset
BA11 1BH

11 November 2021

Frome Memorial Theatre Trust

Statement of Financial Activities for the Year Ended 28 February 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	69,398	69,398	12,637
Charitable activities	4	972	972	1,204
Other trading activities	5	19,869	19,869	327,606
Total Income		90,239	90,239	341,447
Expenditure on:				
Raising funds	6	(44,657)	(44,657)	(160,069)
Charitable activities	7	(59,489)	(59,489)	(209,573)
Total Expenditure		(104,146)	(104,146)	(369,642)
Net expenditure		(13,907)	(13,907)	(28,195)
Net movement in funds		(13,907)	(13,907)	(28,195)
Reconciliation of funds				
Total funds brought forward		4,546	4,546	32,741
Total funds carried forward	18	(9,361)	(9,361)	4,546

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

The funds breakdown for 2020 is shown in note 18.

Frome Memorial Theatre Trust

(Registration number: 05234333)
Balance Sheet as at 28 February 2021

	Note	2021 £	2020 £
Current assets			
Stocks	13	3,043	5,825
Debtors	14	2,697	22,720
Cash at bank and in hand	15	34,237	31,170
		<u>39,977</u>	<u>59,715</u>
Creditors: Amounts falling due within one year	16	<u>(25,613)</u>	<u>(31,444)</u>
Total assets less current liabilities		14,364	28,271
Creditors: Amounts falling due after more than one year	17	<u>(23,725)</u>	<u>(23,725)</u>
Net (liabilities)/assets		<u>(9,361)</u>	<u>4,546</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>(9,361)</u>	<u>4,546</u>
Total funds	18	<u>(9,361)</u>	<u>4,546</u>

For the financial year ending 28 February 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.

The financial statements on pages 8 to 18 were approved by the trustees, and authorised for issue on 11 November 2021 and signed on their behalf by:


.....
Mr I B O'Connor
Trustee

Frome Memorial Theatre Trust

Notes to the Financial Statements for the Year Ended 28 February 2021

1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £100 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Memorial Theatre
Christchurch Street West
Frome
Somerset
BA11 1EB

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Frome Memorial Theatre Trust 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 notes.

Income and endowments

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 the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Frome Memorial Theatre Trust

Notes to the Financial Statements for the Year Ended 28 February 2021

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Frome Memorial Theatre Trust

Notes to the Financial Statements for the Year Ended 28 February 2021

Taxation

The charity 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 charity 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.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	20% on cost
Office equipment	25% on cost

Stock

Stock is valued at the lower of cost and net realisable value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

3 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Donations and legacies:			
Donations from individuals	26,813	26,813	12,637
Grants, including capital grants:			
Government grants	35,000	35,000	-
Grants from other charities	7,585	7,585	-
	<u>69,398</u>	<u>69,398</u>	<u>12,637</u>

4 Income from charitable activities

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Charitable activities	<u>972</u>	<u>972</u>	<u>1,204</u>

Frome Memorial Theatre Trust

Notes to the Financial Statements for the Year Ended 28 February 2021

5 Income from other trading activities

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Trading income;			
Sales of goods and services	-	-	214,202
Events income;			
Bar and kiosk sales	2,850	2,850	54,489
Theatre rent receivable	17,019	17,019	58,915
	<u>19,869</u>	<u>19,869</u>	<u>327,606</u>

6 Expenditure on raising funds

a) Costs of trading activities

		Unrestricted funds	Total 2021	Total 2020
	Note	General £	£	£
Costs of goods sold		6,802	6,802	47,774
Events and conferences		35,973	35,973	112,295
Allocated support costs	8	1,882	1,882	-
		<u>44,657</u>	<u>44,657</u>	<u>160,069</u>

7 Expenditure on charitable activities

		Unrestricted funds	Total 2021	Total 2020
	Note	General £	£	£
Support costs		52,787	52,787	200,073
Governance costs	8	6,702	6,702	6,999
		<u>59,489</u>	<u>59,489</u>	<u>207,072</u>

Frome Memorial Theatre Trust

Notes to the Financial Statements for the Year Ended 28 February 2021

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General £	Total 2021 £	Total 2020 £
Independent examiner fees			
Examination of the financial statements	5,924	5,924	6,319
Legal fees	1,411	1,411	680
Other governance costs	(633)	(633)	-
	<u>6,702</u>	<u>6,702</u>	<u>6,999</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Independent examiner's remuneration

	2021 £	2020 £
Total fees charged by Independent Examiner in year	<u>5,924</u>	<u>6,319</u>

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Frome Memorial Theatre Trust

Notes to the Financial Statements for the Year Ended 28 February 2021

12 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 March 2020	151,521	151,521
At 28 February 2021	151,521	151,521
Depreciation		
At 1 March 2020	151,521	151,521
At 28 February 2021	151,521	151,521
Net book value		
At 28 February 2021	-	-
At 29 February 2020	-	-

13 Stock

	2021 £	2020 £
Stocks	3,043	5,825

Frome Memorial Theatre Trust

Notes to the Financial Statements for the Year Ended 28 February 2021

14 Debtors

	2021 £	2020 £
Other debtors	<u>2,697</u>	<u>22,720</u>

15 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	2,143	3,026
Cash at bank	<u>32,094</u>	<u>28,144</u>
	<u>34,237</u>	<u>31,170</u>

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	4,595
Other loans	7,130	7,130
VAT	487	-
Other creditors	10,000	10,230
Accruals	<u>7,996</u>	<u>9,489</u>
	<u>25,613</u>	<u>31,444</u>

Other borrowings

Somerset Community Fund Loan with a carrying amount of £30,855 (2020 - £30,855) is denominated in £ with a nominal interest rate of 1.7% (2020 - 1.7%). The final instalment is due on 1 January 2025.

17 Creditors: amounts falling due after one year

	2021 £	2020 £
Other loans	<u>23,725</u>	<u>23,725</u>

Frome Memorial Theatre Trust

Notes to the Financial Statements for the Year Ended 28 February 2021

18 Funds

	Balance at 1 March 2020 £	Incoming resources £	Resources expended £	Balance at 28 February 2021 £
Unrestricted funds				
General	<u>4,546</u>	<u>90,239</u>	<u>(104,146)</u>	<u>(9,361)</u>
	Balance at 1 March 2019 £	Incoming resources £	Resources expended £	Balance at 29 February 2020 £
Unrestricted funds				
General	<u>32,741</u>	<u>341,447</u>	<u>(369,642)</u>	<u>4,546</u>

19 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Current assets	39,977	39,977
Current liabilities	(25,613)	(25,613)
Creditors over 1 year	<u>(23,725)</u>	<u>(23,725)</u>
Total net assets	<u>(9,361)</u>	<u>(9,361)</u>
	Unrestricted funds General £	Total funds £
Current assets	59,715	59,715
Current liabilities	(31,444)	(31,444)
Creditors over 1 year	<u>(23,725)</u>	<u>(23,725)</u>
Total net assets	<u>4,546</u>	<u>4,546</u>

Frome Memorial Theatre Trust

Notes to the Financial Statements for the Year Ended 28 February 2021

20 Analysis of net funds

	At 1 March 2020 £	Financing cash flows £	At 28 February 2021 £
Cash at bank and in hand	31,170	3,067	34,237
Net debt	31,170	3,067	34,237
	At 1 March 2019 £	Financing cash flows £	At 29 February 2020 £
Cash at bank and in hand	78,814	(47,644)	31,170
Net debt	78,814	(47,644)	31,170

Frome Memorial Theatre Trust

Detailed Statement of Financial Activities for the Year Ended 28 February 2021

	Total 2021 £	Total 2020 £
<i>Donations and legacies</i>		
Appeals and donations	26,813	12,637
UK Government grants	35,000	-
Grants - other agencies	7,585	-
	<u>69,398</u>	<u>12,637</u>
<i>Charitable activities</i>		
Memberships	968	1,200
Wayleave	4	4
	<u>972</u>	<u>1,204</u>
<i>Other trading activities</i>		
Income on events	-	214,202
Bar and kiosk sales	2,850	54,489
Theatre rent receivable	17,019	58,915
	<u>19,869</u>	<u>327,606</u>
<i>Raising funds</i>		
Expenditure on events	26,396	100,703
Performing rights fees	2,500	4,319
Insurance	7,077	7,273
Opening stock	5,825	5,973
Bar purchases	1,401	34,029
Tickets.com charges	1,469	9,795
Catering and bar services/commission	1,150	3,802
Closing stock	(3,043)	(5,825)
Staff training	1,882	-
	<u>44,657</u>	<u>160,069</u>
<i>Charitable activities</i>		
Caretaking fees	16,372	21,425
Storage charges	706	835
Rates	261	1,725
Light, heat and water	13,014	25,485
General repairs including stage and equipment	7,227	94,610
Cleaning of premises	4,556	13,477
Telephone	2,808	3,066
Computer expenses	-	259
Printing, stationery and advertising	1,719	22,969
Postage	1,135	1,570
Licences and subscriptions	501	155

Frome Memorial Theatre Trust

Detailed Statement of Financial Activities for the Year Ended 28 February 2021

	Total 2021 £	Total 2020 £
Gifts	11	109
Sundry expenses	33	588
Security and safety expenses	1,828	4,763
Bank and credit card charges	2,616	4,726
Depreciation	-	4,311
Loan interest	-	2,501
Independent examiner's fee	5,924	6,319
Legal and professional fees	1,411	680
VAT surcharges	(633)	-
	<u>59,489</u>	<u>209,573</u>