

**THEATRE503 LIMITED**  
(A company limited by guarantee)

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**THEATRE503 LIMITED**  
**(A company limited by guarantee)**

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**THEATRE503 LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2023**

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<b>Trustees</b>	Erica Whyman OBE, Chair Royce Bell, Vice Chair Joshua Jin Li Chua (appointed 2 October 2023) Celine Gagnon (temporarily stood down 11 October 2023) Sabrina Clarke-Okwubanego (resigned 22 September 2022) Eleanor Lloyd Ollie Raggett, Company secretary from 15/03/2023 Emma Rees Luke Shires Jack Tilbury Zena Tuitt Roy Williams OBE Lisa Kathryn Spriling Coleman (appointed 15 March 2023)
<b>Company registered number</b>	05694721
<b>Charity registered number</b>	1115555
<b>Registered and principal operating office</b>	503 Battersea Park Road London SW11 3BW
<b>Executive Director</b>	Emily Carewe
<b>Artistic Director</b>	Lisa Spirling
<b>Independent Examiners</b>	MHA Chartered Accountants 2 London Wall Place London EC2Y 5AU

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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The Trustees present their annual report together with the financial statements of the Theatre503 Limited for the year ended 31 March 2023.

The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Objectives and activities**

**a. Policies and objectives**

In shaping the theatre's objectives for the year and planning its activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The theatre relies on grants and the income from fees and charges to cover its operating costs.

In setting the level of fees, charges and concessions, the Trustees give careful consideration to the accessibility of the theatre for those on low incomes.

Affordability and access to the programme is important to Theatre503 and the work it produces is intended to be enjoyed by all ages, both locally, London and UK wide.

**b. Strategies for achieving objectives**

The strategies employed to achieve the charity's aims and objectives are to:

- develop, produce, present, and support a wide variety of theatre productions for the enjoyment and education of a diverse audience demographic;
- identify and support the very best debut and emerging writers to stage their first productions, performed to the highest professional standard;
- break down all barriers to writing, staging, participating in and seeing work;
- be the best practice model for early career playwrights and new writing practice through The 503Studio;
- become a sustainable, dynamic, and flexible business able to adapt to an ever- changing future landscape.

Putting these strategies into action the theatre has three major areas of activity which are:

- Stage productions; and
- Literary development programmes (The Writers Programme); and
- Participation and accessibility in the local community.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**Objectives and activities (continued)**

**c. Activities for achieving objectives**

A success and celebration of this year was a return to consistent live engagement with audiences and participants following the significant impact of COVID-19 on the last 2 years.

Our Online Writers Programme continued to flourish, with high attendance figures across the board, and a broad offering of nearly 100 bursary places - highlighting our ongoing commitment to these training opportunities being accessible to all.

This year we felt the positive impact of the change in programming and production model in 2021-22. We successfully staged 6 3-week debut productions, with limited impact due to COVID-19, and platformed 4 writers through shorter runs, alongside the on-going deliver of Rapid Write Response. The change in the model, and focused programming gave the team capacity to support the range of early career individuals coming through our doors brilliantly, and also decreased pressure of hire fee costs for in-coming producers.

Internally, this year saw a change in leadership with Executive Director Andrew Shepherd stepping down from the role, and Jules Oakshett joining the organisation as Interim Executive Director. Recruitment for a permanent Executive Director will take place in summer 2023.

Our progress towards opening the 503Studio continued in earnest, with the delivery of RIBA Stage 3 by architects t-sa and project managers Plann. We received funding from The Backstage Trust to support our wider fundraising campaign and put our case for support into action, reaping positive results. We ended the year inside the shell of the 503Studio, with the award ceremony for Theatre503's International Playwriting Prize. Roxy Cook was awarded the prize for her play 'A Woman Walks into a Bank' and was selected by a panel of judges from 1466 applications from 49 countries.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**Achievements and performance**

**a. Key performance indicators**

- 469 early career writers participated in the Online Writers Programme this year
- 59 early career writers had their work staged across the year
- 8,926 audiences watched our work in person

**b. Stage performances**

Following a limited return to live performance last year, the success of this year saw 6 full-length productions return to our stages, as well as a series of shorter runs in Autumn 2024, featuring **Sunsets** by Georgie Greer, **Flat Shoes In The Club** by Eme Essien, **Pass It On** by YellowCoat Theatre Company, **Intruder** by Remi Rechuba, **Blackout** by Poppy Abbott.

We began the year with **Tapped** by Katie Redford greeting our audiences. Despite a cast member being impacted by COVID-19 and a subsequent delay to opening, the production received positive review and embarked on a UK tour following its closure on our stage.

**Till Death Do Us Part** by Saafa Benson followed, and was similarly affected by COVID-19 in rehearsals, highlighting to all the continued impact and presence of the pandemic in our work. Upon opening, the production was received brilliantly, and produced by a former Theatre503 Trainee Producer.

**No Particular Order** by Joel Tan was a hugely successful production, and critics celebrated the potent potential of Joel's voice. Having been a 503Five member through the pandemic, the ability to bring Joel's play to life on our stage was meaningful for all.

Artistic Director Lisa Spirling directed **The Boys are Kissing** by Zak Zarafshan to rave reviews and sell-out audiences. Zak was shortlisted for a Stage Debut award as Best New Writer. Zak wrote this play as part of the 503Five, a testament to the success of the programme in launching new writers.

The tender **My Brother's Keeper** by 503Five alumni Mahad Ali explored the story of Refugees in Margate and received a very positive response from critics, stating "Ali's script gives us a powerful, intelligent, sensitive window on today's Britain".

We ended the year with Theo Chester's **Stray Dogs**, a 'thought provoking allegorical drama on the nature of guilt and redemption' (4 stars in the Stage).

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**Achievements and performance (continued)**

**c. Education, community, literary and artist development**

Our 503Studio: Online Writers Programme continues to sell brilliantly and reach aspiring voices around the world, with an average of 75% of places sold across the year and nearly 100 bursary spaces offered.

Indicating the ongoing success of our 503Five programme, we produced a sell-out production of 2019-2021 cohort alumni Zach Zarafshan's commission **The Boys are Kissing**. The current cohort of the 503Five delivered their plays and we continue reading and exploring which ones to take forward into production. We end the year at the planning stage for the next recruitment of the 503Five.

Rapid Write Response continued to progress from stride to stride, held brilliantly by our Associate Director and Trainee Producers. It has continued to open up a pathway to future collaborations and opportunities with early career artists, platforming 6 writers' responses to every 3-week run we programme.

In partnership with Wandsworth Council we offered our Wandsworth Writes programme, supporting 21 local residents to access our courses and masterclasses. This is a continuation of our connection with this area and is part of the building blocks of outreach for the Nine Elms Studio. We also finalised our Social Value Agreement with Wandsworth Council, outlining our community and education commitments as we open the 503Studio.

On Wednesday 1st March we welcomed our Theatre503 team, key stake holders, donors, interested parties, alumni and you to the shell of the 503Studio space for the 2023 Theatre503 International Playwriting Award. The award was given to debut playwright Roxy Cook for her astonishing play 'A Woman Walks Into A Bank' inspired by her Russian Grandmother.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**Achievements and performance (continued)**

**d. Factors relevant to achieve objectives**

*Artistic values*

- Diversity begins with who is telling the stories and informs how we run our venue throughout the year.
- Theatre503 is aware that artistic tastes are not the same for everyone. The theatre therefore tries to make clear the themes and issues that the work contains on its website and in marketing materials.
- Theatre503 takes the views of audiences very seriously and without compromising the integrity of the programme, seeks to respect the diverse ethnic, faith, sexual orientation, and lifestyles of the community and audience.

*Pricing policy*

- The theatre's pricing policy reflects its strategy of enabling all within its community, whatever their means, to take part in its activities and to attend the theatre. We increased top price tickets to £20.
- Theatre503 continues to be on a par with, or cheaper than, other London theatres of similar size.
- A concession ticket of £14 is available to students, senior citizens, members of Equity and BECTU.
- The same discount is available to those with access requirements, with a free ticket for a companion.
- There are also 6 x £6 available for all evening shows after Press Nights.

*Accessibility*

- Our Share the Drama Scheme means we subsidise around 50% of our tickets.
- Theatre503's customers are given the opportunity to "Pay what you Can" for performances on Saturday matinees, ensuring work is accessible to all, regardless of income.
- Parent & Baby Matinees and Relaxed performances continue to build an audience.
- Trustees recognise the restrictions the current premises pose to some visitors and continue to seek to improve accessibility in areas where the opportunity exists.

**Financial review**

**a. Reserves policy**

- For 2022-23, our reserves policy remained at £22,000 reflecting 3 months running costs as of March 2022. Looking forward, the Board will be increasing the reserves policy for 2023-24 to reflect an increase in staffing and running costs.
- Due to the ongoing impact of COVID-19, and drastically increased inflation levels, we will not initially be able to increase our holding reserves to match this in full, but have a rigorous plan to do so incrementally over the next 4 years. This plan responds to the need to meet our policy, without impacting our ability to deliver our charitable mission.

**b. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, in the understanding of the increased risk posed as a result of the pandemic. For this reason, they continue to adopt the going concern basis in preparing the financial statements.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**c. Reserves**

Total reserves held at the end of the financial year were £58,751 of which £27,929 were restricted and £30,822 were unrestricted.

**d. Principal funding**

The majority of the charity's income has continued to derive from box office income, tax credit claims from HMRC, as well as grants from Arts Council England/DCMS, The Carne Trust, Wandsworth Borough Council, Concord Theatrical, The Orseis Trust and individual donors.

**Structure, governance and management**

**a. Constitution**

Theatre503 Limited was incorporated on 1 February 2006 under the Companies Act 1985 as a private company limited by guarantee, having no share capital, and its objects and regulations are governed by its Memorandum and Articles of Association.

Charitable status was granted on 24 July 2006 under registered number 1115555. The principal objects of the Charity are to promote, maintain, improve and advance education particularly by the promotion of educational plays and the encouragement of the Arts including the arts of Drama, Music, Singing and Movement.

There have been no changes in the objectives since the last annual report.

**b. Methods of appointment or election of Trustees**

As per the Memorandum and Articles of Association of the Charity, new Trustees are appointed by ordinary resolution.

Not less than fourteen nor more than thirty five days before the date of the meeting, the Charity is given a notice that is signed by a member entitled to vote at the meeting; which states the member's intention to propose the appointment of a person as a Trustee; which contains the details that, if the person were to be appointed, the Charity would have to file at Companies House and which is signed by the person who is to be proposed to show his or her willingness to be appointed.

**c. Risk management**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Theatre503 operates a Risk Register covering Finance, Premises, Audiences, Product, Staffing and Capacity which is reviewed regularly by Trustees. The Artistic Director and Executive Director review operating risk during operations meetings and the Trustees interrogate changes in risk as they occur.

**Members' liability**

The Members of the Charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**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 Charity 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 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 Charity will continue in business.

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

The Trustees' Annual Report has been prepared in accordance with the provisions applicable to entities subject to the small companies' regime, was approved by order of the members of the board of Trustees and signed on their behalf by:

**Royce Bell**  
Vice Chair (Trustee)

Date: 31 January 2024

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**THEATRE503 LIMITED**  
**(A company limited by guarantee)**

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**INDEPENDENT EXAMINER'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2023**

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**Independent examiner's report to the Trustees of Theatre503 Limited ('the Charity')**

We report to the charity Trustees on our examination of the accounts of the Charity for the year ended 31 March 2023.

**Responsibilities and basis of report**

As the Trustees of the Charity (and 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 ourselves that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, we report in respect of our examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out our examination we have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

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

We have completed our examination. We confirm that no matters have come to our attention in connection with the examination giving us cause to believe:

1. accounting records were not kept in respect of the Charity 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).

We 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.

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. Our work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our work or for this report.

Signed:  
John Coverdale

Dated: 31 January 2024  
FCA (ICAEW)

**MHA**  
Chartered Accountants  
2 London Wall Place  
London  
EC2Y 5AU

**THEATRE503 LIMITED**  
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Charitable activities	3	176,152	233,498	409,650	452,055
Investments	5	-	68	68	4
<b>Total income</b>		<b>176,152</b>	<b>233,566</b>	<b>409,718</b>	<b>452,059</b>
<b>Expenditure on:</b>					
Charitable activities	6	160,831	248,701	409,532	483,722
<b>Total expenditure</b>		<b>160,831</b>	<b>248,701</b>	<b>409,532</b>	<b>483,722</b>
<b>Net income/(expenditure)</b>		<b>15,321</b>	<b>(15,135)</b>	<b>186</b>	<b>(31,663)</b>
Transfers between funds	15	(35,793)	35,793	-	-
<b>Net movement in funds</b>		<b>(20,472)</b>	<b>20,658</b>	<b>186</b>	<b>(31,663)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		48,401	10,164	58,565	90,228
Net movement in funds		(20,472)	20,658	186	(31,663)
<b>Total funds carried forward</b>		<b>27,929</b>	<b>30,822</b>	<b>58,751</b>	<b>58,565</b>

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

The notes on pages 13 to 26 form part of these financial statements.

**THEATRE503 LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 05694721**

**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	11	14,132	19,559
		<u>14,132</u>	<u>19,559</u>
<b>Current assets</b>			
Debtors	12	162,699	61,318
Cash at bank and in hand		64,353	40,994
		<u>227,052</u>	<u>102,312</u>
Creditors: amounts falling due within one year	13	(136,433)	(61,306)
<b>Net current assets</b>		<u>104,751</u>	<u>60,565</u>
<b>Total assets less current liabilities</b>		<u>104,751</u>	<u>60,565</u>
Creditors: amounts falling due after more than one year	14	(46,000)	(2,000)
<b>Total net assets</b>		<u><u>58,751</u></u>	<u><u>58,565</u></u>
<b>Charity funds</b>			
Restricted funds	15	27,929	48,401
Unrestricted funds	15	30,822	10,164
<b>Total funds</b>		<u><u>58,751</u></u>	<u><u>58,565</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.

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**THEATRE503 LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 05694721**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2023**

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

**Royce Bell**  
Vice-Chair (Trustee)

Date: 31 January 2024

The notes on pages 13 to 26 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**1. General information**

The Charity is a company limited by guarantee, incorporated in England & Wales, company number 05694721, having its registered office at 503 Battersea Park Road, London, SW11 3BW.

The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

Charitable status was granted on 24 July 2006 by the Charity Commission of England & Wales, registered number 1115555.

**2. Accounting policies**

**2.1 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Theatre503 Limited 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.

**2.2 Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, in the understanding of the increased risk posed as a result of the pandemic. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**2.3 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.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Creative industry tax relief claims are recognised to the extent that claims are expected to be made and accepted in relation to qualifying expenditure incurred in the year.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**2. Accounting policies (continued)**

**2.4 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.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 Tangible fixed assets and depreciation**

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.

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

Depreciation is provided on the following basis:

Other fixed assets	- over ten years on cost
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**2.7 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.

**2.8 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.



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**2. Accounting policies (continued)**

**2.9 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 Statement of financial activities as a finance cost.

**2.10 Financial instruments**

The Charity 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.

**2.11 Pensions**

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

**2.12 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 Charity 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 Charity 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.

**THEATRE503 LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**3. Income from charitable activities**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Productions	106,012	131,057	<b>237,069</b>
Education, Community & Development	40,140	102,441	<b>142,581</b>
Capital project	30,000	-	<b>30,000</b>
<b>Total 2023</b>	<b>176,152</b>	<b>233,498</b>	<b>409,650</b>
	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Productions	109,232	130,164	239,396
Education, Community & Development	61,837	50,822	112,659
Capital project	100,000	-	100,000
<i>Total 2022</i>	<i>271,069</i>	<i>180,986</i>	<i>452,055</i>

**4. Government grants**

	<b>2023 £</b>	<b>2022 £</b>
Arts Council England	<b>16,011</b>	96,527
Wandsworth Council	<b>10,782</b>	8,898
Coronavirus Job Retention Scheme	-	1,347
	<b>26,793</b>	106,772

There were no unfulfilled commitments or other contingencies associated with the above grants at the end of the financial year.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**5. Investment income**

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest received	68	<b>68</b>	4
<i>Total 2022</i>	4	4	

**6. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £
Productions	115,895	115,587	<b>231,482</b>
Education, Community & Development	31,456	111,006	<b>142,462</b>
Capital project	13,480	22,108	<b>35,588</b>
<b>Total 2023</b>	160,831	248,701	<b>409,532</b>

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Productions	110,624	234,742	345,366
Education, Community & Development	50,837	23,312	74,149
Capital project	64,207	-	64,207
<i>Total 2022</i>	225,668	258,054	483,722

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**7. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>
Productions	80,687	150,795	<b>231,482</b>
Education, Community & Development	26,033	116,429	<b>142,462</b>
Capital project	35,588	-	<b>35,588</b>
<b>Total 2023</b>	<b>142,308</b>	<b>267,224</b>	<b>409,532</b>

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Productions	178,248	167,118	345,366
Education, Community & Development	13,279	60,870	74,149
Capital project	64,207	-	64,207
<b>Total 2022</b>	<b>255,734</b>	<b>227,988</b>	<b>483,722</b>

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**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Productions 2023 £</b>	<b>Education, Community &amp; Development 2023 £</b>	<b>Total funds 2023 £</b>
Staff costs	124,029	37,906	<b>161,935</b>
Depreciation	820	-	<b>820</b>
Projects and productions	3	31,456	<b>31,459</b>
Theatre and building	12,839	-	<b>12,839</b>
Fees	24,798	6,021	<b>30,819</b>
Finance	-	1,060	<b>1,060</b>
Marketing, administration and finance	-	39,986	<b>39,986</b>
Allocation - historic VAT adjustment	(11,694)	-	<b>(11,694)</b>
<b>Total 2023</b>	<b>150,795</b>	<b>116,429</b>	<b>267,224</b>

	<b>Productions 2022 £</b>	<b>Education, Community &amp; Development 2022 £</b>	<b>Total funds 2022 £</b>
Staff costs	102,084	48,380	150,464
Depreciation	2,968	-	2,968
Theatre and building	18,262	-	18,262
Fees	27,586	450	28,036
Marketing, administration and finance	16,218	12,040	28,258
<b>Total 2022</b>	<b>167,118</b>	<b>60,870</b>	<b>227,988</b>

Governance costs have been included with the 'Marketing, administration and finance' category above and totalled £7,700 in the current year (2022: £6,000). The breakdown of governance costs can be found in Note 8 below.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. Independent examiner's remuneration**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	<b>4,000</b>	3,900
Fees payable to the Charity's independent examiner in respect of:		
All assurance services not included above	-	1,200
All other services not included above	<b>3,700</b>	900
	<u><b>3,700</b></u>	<u>900</u>

**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Staff costs**

	2023 £	2022 £
Wages and salaries	150,152	138,153
Social security costs	7,599	7,938
Contributions to defined contribution pension schemes	4,184	4,373
	<u>161,935</u>	<u>150,464</u>

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

	2023 No.	2022 No.
Operations	2	2
Creatives	5	5
	<u>7</u>	<u>7</u>

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

The Trustees of the Charity considers that its Key Management Personnel comprise:

- Trustees
- Artistic Director
- Executive Director

The total of employee benefits for Key Management Personnel was £54,041 (2022 - £57,535).

**10. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

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**11. Tangible fixed assets**

	<b>Other fixed assets £</b>
<b>Cost or valuation</b>	
At 1 April 2022	28,956
Revaluations	(4,607)
At 31 March 2023	<u>24,349</u>
<b>Depreciation</b>	
At 1 April 2022	9,397
Charge for the year	2,508
On revalued assets	(1,688)
At 31 March 2023	<u>10,217</u>
<b>Net book value</b>	
At 31 March 2023	<u><u>14,132</u></u>
At 31 March 2022	<u><u>19,559</u></u>

**12. Debtors**

	<b>2023 £</b>	<b>2022 £</b>
<b>Due within one year</b>		
Trade debtors	18,973	10,308
Other debtors	7,571	-
Tax recoverable	136,155	51,010
	<u><u>162,699</u></u>	<u><u>61,318</u></u>



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**13. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Bank overdrafts	2,069	-
Trade creditors	64,665	44,018
Other taxation and social security	14,925	9,897
Other creditors	4,774	3,191
Accruals and deferred income	50,000	4,200
	<u>136,433</u>	<u>61,306</u>
	2023 £	2022 £
Resources deferred during the year	50,000	-

The Cockayne grant of £50,000 designated for RIBA Stage 4 of our Nine Elms development was deferred pending the formal start of the phase which began in October 2023.

**14. Creditors: Amounts falling due after more than one year**

	2023 £	2022 £
Other loans	45,000	-
Deferred capital grant	1,000	2,000
	<u>46,000</u>	<u>2,000</u>

The deferred capital grant is being amortised to income at the rate of £1,000 per year to mirror depreciation charged on the fixed assets to which it relates.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**15. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General Fund	10,164	233,566	(248,701)	35,793	30,822

**General Fund**

Although the general fund at 31 March 2023 meets the current reserve requirements we are committed to increasing this requirement by revising the policy set out by the Trustees to at least £44,000. We will continue to execute our strategy to increase reserves through the next financial year.

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
<b>Restricted funds</b>					
Wandsworth Council	-	9,640	(7,581)	-	2,059
Trusts, foundations and private donations	12,608	29,500	(32,758)	-	9,350
Amortisation	-	1,000	(1,000)	-	-
Production contributions	-	106,012	(106,012)	-	-
Capital project	35,793	30,000	(13,480)	(35,793)	16,520
	48,401	176,152	(160,831)	(35,793)	27,929

**Restricted Funds**

Wandsworth Council provided support for the Wandsworth Writes subsidised ticket scheme. Arts Council England provided support for **The Boys are Kissing**.

Trusts, foundations and private donations are funding the Associate Director salary, Education & Community activities and the Capital project.

Visiting companies provide funding for their co-productions alongside the 503Slate fund.

<b>Total of funds</b>	<b>58,565</b>	<b>409,718</b>	<b>(409,532)</b>	<b>-</b>	<b>58,751</b>
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**THEATRE503 LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**15. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
<b>Unrestricted funds</b>					
General Fund	77,228	180,990	(258,054)	10,000	10,164
<b>Restricted funds</b>					
Arts Council England	-	96,527	(96,527)	-	-
Wandsworth Council	-	8,898	(8,898)	-	-
Trusts, foundations and private donations	13,000	28,333	(18,725)	(10,000)	12,608
Amortisation	-	1,000	(1,000)	-	-
Production contributions	-	36,311	(36,311)	-	-
Capital project	-	100,000	(64,207)	-	35,793
	13,000	271,069	(225,668)	(10,000)	48,401
<b>Total of funds</b>	90,228	452,059	(483,722)	-	58,565

**16. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Tangible fixed assets	-	14,132	14,132
Current assets	27,929	199,123	227,052
Creditors due within one year	-	(136,433)	(136,433)
Creditors due in more than one year	-	(46,000)	(46,000)
<b>Total</b>	27,929	30,822	58,751

**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	19,559	19,559
Current assets	48,401	53,911	102,312
Creditors due within one year	-	(61,306)	(61,306)
Creditors due in more than one year	-	(2,000)	(2,000)
<b>Total</b>	<b>48,401</b>	<b>10,164</b>	<b>58,565</b>

**17. Pension commitments**

The Charity 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 Charity to the fund and amounted to £4,184 (2022: £4,373).

Contributions of £4,774 (2022: £3,191) were payable to the fund at the balance sheet date and are included in creditors.

**18. Related party transactions**

The aggregate amount of donations made by trustees or connected parties without conditions during the year was £20,000 (2022: £5,000).

Eleanor Lloyd, a trustee, provided advances of £15,000 during the year to 31 March 2020 to support the charity's cash flow as part of the initial move to the new operating model. Further advances of £30,000 were made during the year to 31 March 2023. £45,000 (2022: £15,000) was outstanding at the end of the year.

Jack Tilbury, a trustee, is a director of Plann Ltd appointed as project managers to lead our Capital project for the development of our new studio space. As at 31 March 2023 there had been no payments to Plann Ltd nor invoices raised by that company (2022: *None*).

Celine Gagnon, a trustee during the year, charged the charity £3,200 for capital fundraising consultancy services during the year to 31 March 2023 (2022: *£Nil*).

There were no other material related party transactions requiring disclosure during the period (2022: *None*).