

THEATRE503 LIMITED
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

THEATRE503 LIMITED
(A company limited by guarantee)

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THEATRE503 LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees	Erica Whyman OBE, Chair Royce Bell, Vice Chair Joshua Jin Li Chua (appointed 2 October 2023) Celine Gagnon (temporarily stood down 11 October 2023) Eleanor Lloyd Ollie Raggett Emma Rees, Vice Chair Luke Shires (resigned 30 June 2023) Jack Tilbury Zena Tuitt Roy Williams OBE Lisa Spirling Coleman Naomi Kerbel (appointed 13 March 2024) Cerian Walsh (appointed 13 March 2024) Pippa Hill (appointed 13 March 2024) Tian Brown-Sampson, Associate Trustee (appointed 13 March 2024)
Company registered number	05694721
Charity registered number	1115555
Registered and principal operating office	503 Battersea Park Road London SW11 3BW
Executive Director	Emily Carewe
Artistic Director	Lisa Spirling
Independent Examiners	MHA Chartered Accountants 2 London Wall Place London EC2Y 5AU

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the financial statements of the Theatre503 Limited for the year ended 31 March 2024.

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 2024

Objectives and activities (continued)

c. Activities for achieving objectives

This year saw great success in our artistic activity with the announcement of Roxy Cook as the winner of the 2023 International Playwriting Award, and the sell-out production of her winning script **A Woman Walks Into A Bank** which saw Theatre503's first successful extension of a production due to audience demand. Alongside this, productions of various scale brought in over 6000 audience members across the year, with sustained affordable ticket pricing.

Our Online Writers Programme has gone from strength to strength. We saw increased attendance throughout the year, including piloting in person sessions, and the continuation of our subsidised bursary places ensuring this training opportunity is available to all.

This year we felt the impact of a shift in success rates for Arts Council England Project Funding from pre-pandemic to the current climate across the sector, which led to a number of productions needing to be cancelled or postponed. Ultimately, of the 7 3-week productions programmed within the year, only 4 went on to face audiences in their original allocated programme slot. This posed challenges financially, as well as additional pressure on the team's capacity as alternative productions, short runs or projects were developed to ensure our connections with participants, audiences and key stakeholders was not affected.

Changes in leadership continued this year with Interim Executive Director Juliette Oakshett stepping away from the organisation in September 2023, following the successful appointment of Emily Carewe as Executive Director, who joined the organisation in October 2023. Recruitment also took place in the Board of Trustees, with the appointment of 4 Trustees and 1 Associate Trustee, a trainee governance role encouraging opportunities in leadership progression.

Our progress towards opening the 503Studio continued, with the completion of RIBA Stage 4 by architects t-sa and project managers Plann. We crossed the 50% mark of our fundraising campaign with key support pledged from the Backstage Trust, Foyle Foundation and the Cockayne Foundation. We were handed the keys to the shell of the 503Studio, went to tender and began a phased approach to the build. We will complete Phase 1 of the fit-out in December 2025 (Mechanical Engineering and Plumbing) which will allow building regulation certification to take place for the building to be used publicly as one large space for events, rehearsals and more in its current state until further funding has been secured to complete Phase 2 of the fit-out.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

a. Key performance indicators

- 1162 early career writers participated in the Online Writers Programme this year
- 57 early career writers had their work staged across the year
- 6,015 audiences watched our work in person

b. Stage performances

This year saw 4 full-length 3-week productions on our stage, as well as a series of shorter runs (1 night to 2-week) featuring **Faun** by Vinnie Heaven (co-produced with Cardboard Citizens), **The Lesson** by Emma Anderson, **Matryoshka** by Joe Strickland, and **I just like you | a gay myth** by Zachary Wilcox.

For full length productions, we began the year with **Helen** by Maureen Lemon. A stunning piece of work artistically and a wonderful company. A tender two hander, female led play that centres around grief through a lifetime. Whilst attendance was not as high as hoped, the audiences who did attend most often gave the show standing ovations.

Agatha written by Florence Howard was a dynamic, powerful production and our first experience of supporting a writer through the process when they are also performing in their own work. Designer Carly Brownbridge was nominated for a Stage Debut Award.

These Demons by Rachel Bellman with producer Tanya Truman ran with strong reviews from The Stage and The Guardian, both celebrating the talent of the writer and the ambition of the production. With the conflict in Israel and Palestine escalating during this production, our responsibility as a company to respond to and protect the Jewish community in a moment of collective pain was key. We engaged increased security for the remaining run and are grateful to the full 503 team for their holding of the company.

The final 3-week run of this year was **A Woman Walks Into A Bank** by Roxy Cook - winner of the 2023 International Playwriting Award. The production had unprecedented ticket sales, leading to an additional week being added to performances. Roxy Cook went on to be a finalist for the Susan Smith Blackburn Award for this play.

The spring season of 2024 highlighted the increasing impact of dramatically decreased success rates for Arts Council Project funds, and the financial vulnerability of emerging artists. Two 3-week productions of this period were forced to postpone or cancel their performances due to lack of funding. In response, we programmed an additional season of shorter runs to allow us to continue to welcome audiences into the theatre.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

c. Education, community, literary and artist development

The Writers Programme continues to sell brilliantly and reach aspiring voices around the world, with an average of 75% of places sold across the year (1061 participants) and over 60 subsidised bursary spaces offered.

We received over 400 applications for the new 503Five cohort, and successfully recruited 5 brilliant writers Joe Kerridge, Melis Aker, Asa Hayes, Shona Babayemi and Rachel Mae Brady who are currently under commission with the theatre and engaging in a series of professional development workshops with writers including debbie tucker green.

Rapid Write Response continued to progress from stride to stride, held brilliantly by our Carne Associate Director Kalungi Ssebandeke. 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. Across the year we platformed 30 new plays and received over 150 submissions.

We delivered 503's first Literary Takeover project, in preparation for capacity building and increased artist support as we move into the 503Studio. The Literary Takeover supported 18 readings of plays being held and developed within the literary department and included:

- 1 x Reader/Producer supported play
- 2 x Rapid Write Response Director (Literary supported)
- 2 x Extended Rapid Write Response pieces
- 8 x RWR Alumni/503 Five interviewed/Literary supported writers
- 4 x Playwriting Award 2023 Shortlisted plays
- 2 x 503Five Commissions

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 ethnicity, 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 one Saturday Matinee and one Evening performance, 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Financial review

a. Reserves policy

We aim for our reserves to be equivalent of 3 months running costs, currently valued at £44,000 and broken down as to Salaries of £36,000 and £8,000 of operational costs.

Due to the ongoing impact of COVID-19, wider impacts on funding, and drastically increased inflation levels, we have not been able to meet this target (which increased in 2022) and have seen a negative impact on our reserves between 2023 and 2024, but continue to implement 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.

The growing success and momentum of the Slate funding model strengthens the Board's confidence in the continued delivery of the Charity, and increased capacity to grow reserves and financial sustainability over the next 4 years.

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.

c. Reserves and overall review

Total reserves at the end of the financial year were £126,971 (2023: £58,751) of which £59,253 (2023: £27,929) were restricted, £65,348 (2023: Nil) were unrestricted designated capital funds and £2,370 (2023: £30,822) were unrestricted general funds.

Our production of *A Woman Walks into a Bank* did not receive project funding (equating to £30,000) from the Arts Council. With support from the Board, in September 2023 it was deemed critical that we committed to the production of this Theatre503 International Playwriting Award winning play in spite of this, so as to deliver our charitable, artistic objectives. It was known that this decision would put strain on our resources, however, we could not predict that in the following quarter of the financial year we would see unprecedented losses in productions, with an entire season of work being postponed and/or cancelled due to lack of public/Arts Council funding, further impacting both our ticket income and TTR.

We entered into 2023-24 with projected substantial growth in turnover, in preparation for the opening of the 503Studio. By September 2023, as we faced challenges in programming and associated income streams, decisions were made which led to significant cuts in expenditure throughout the latter half of the year. In spite of these cuts, ongoing income challenges, associated with loss of productions, led to us ending the year with a deficit budget.

Despite this deficit, the Board acknowledges that there was a significant increase in fundraising activity throughout the second half of this financial year, the positive impact of which is being felt in 2024-25.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

d. Principal funding

The majority of the charity's income has continued to derive from box office income, tax credit claims from HMRC, Arts Council England grants, The Carne Trust, Wandsworth Borough Council, Concord Theatrical, The Orseis Trust, The De Lazslo Foundation, GrOW Annenberg Foundation, Old Possums Practical Trust and individual donors.

e. Capital project

We have accounted for previously deferred, and newly received, income for 503Studio Capital Project as restricted funds as the fit-out process has begun.

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 2024

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: 14 November 2024

THEATRE503 LIMITED
(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

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

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2024.

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 myself 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, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

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

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

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.

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

Signed:

Dated: 18 November 2024

John Coverdale

FCA (ICAEW)

MHA (the trading name of MacIntyre Hudson LLP)
Chartered Accountants
2 London Wall Place, London, EC2Y 5AU

THEATRE503 LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Charitable activities	3	158,062	293,142	451,204	409,650
Investments	5	-	2,300	2,300	68
Total income		158,062	295,442	453,504	409,718
Expenditure on:					
Charitable activities	6	60,778	324,506	385,284	409,532
Total expenditure		60,778	324,506	385,284	409,532
Net income/(expenditure)		97,284	(29,064)	68,220	186
Transfers between funds	15	(65,960)	65,960	-	-
Net movement in funds		31,324	36,896	68,220	186
Reconciliation of funds:					
Total funds brought forward		27,929	30,822	58,751	58,565
Net movement in funds		31,324	36,896	68,220	186
Total funds carried forward		59,253	67,718	126,971	58,751

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 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	76,973	14,132
		76,973	14,132
Current assets			
Debtors	12	72,466	162,699
Cash at bank and in hand		113,711	64,353
		186,177	227,052
Creditors: amounts falling due within one year	13	(114,179)	(136,433)
Net current assets		148,971	104,751
Total assets less current liabilities		148,971	104,751
Creditors: amounts falling due after more than one year	14	(22,000)	(46,000)
Total net assets		126,971	58,751
Charity funds			
Restricted funds	15	59,253	27,929
Unrestricted funds	15	67,718	30,822
Total funds		126,971	58,751

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.

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

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

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

Royce Bell
Vice Chair (Trustee)

Date: 14 November 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 2024

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 2024**

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.

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 bases:

Long-term leasehold property	-
Other fixed assets	- over ten years on cost

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 2024

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 2024**

3. Income from charitable activities

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Productions	49,062	172,456	221,518
Education, Community & Development	16,000	120,686	136,686
Capital project	93,000	-	93,000
Total 2024	158,062	293,142	451,204
	<i>Restricted funds 2023 £</i>	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Productions	106,012	131,057	237,069
Education, Community & Development	40,140	102,441	142,581
Capital project	30,000	-	30,000
<i>Total 2023</i>	<i>176,152</i>	<i>233,498</i>	<i>409,650</i>

4. Government grants

	2024 £	2023 £
Arts Council England	17,354	16,011
Wandsworth Council	-	10,782
Gift Aid claims	13,381	5,669
Theatre tax relief claims	37,722	62,257
Employment Allowance	5,000	5,000
	73,457	99,719

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

THEATRE503 LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank interest received	2,300	2,300	68
<i>Total 2023</i>	68	68	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £
Productions	22,503	188,693	211,196
Education, Community & Development	38,275	135,813	174,088
Total 2024	60,778	324,506	385,284

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Productions	86,952	124,244	211,196
Education, Community & Development	19,672	154,416	174,088
Total 2024	106,624	278,660	385,284
	<i>Activities undertaken directly (restated) 2023 £</i>	<i>Support costs (restated) 2023 £</i>	<i>Total funds 2023 £</i>
Productions	80,690	150,792	231,482
Education, Community & Development	57,489	84,973	142,462
Capital project	35,588	-	35,588
<i>Total 2023</i>	<i>173,767</i>	<i>235,765</i>	<i>409,532</i>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2024 £	<i>As restated Total funds 2023 £</i>
Staff costs	197,706	161,935
Depreciation	2,508	820
Theatre and building	20,416	12,839
Nine Elms running costs	5,144	-
Fees	16,376	30,819
Interest	901	1,342
Marketing, administration and finance	35,609	39,704
Historic VAT adjustment	-	(11,694)
Total 2024	278,660	235,765

Expenditure on Projects and Productions of £31,459 allocated as Support costs in the financial statements for the year to 31 March 2023 has been reviewed and recategorised under Activities undertaken directly.

8. Independent examiner's remuneration

	2024 £	2023 £
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	4,000	4,000
Fees payable to the Charity's independent examiner in respect of:		
All other services not included above	3,850	3,700

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Staff costs

	2024 £	2023 £
Wages and salaries	183,303	150,152
Social security costs	10,399	7,599
Contributions to defined contribution pension schemes	4,004	4,184
	<u>197,706</u>	<u>161,935</u>

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

	2024 No.	2023 No.
Operations	3	2
Creatives	5	5
	<u>8</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 £66,002 (2023 - £54,041).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. Tangible fixed assets

	Long-term leasehold property £	Other fixed assets £	Total £
Cost or valuation			
At 1 April 2023	-	24,349	24,349
Additions	65,348	-	65,348
At 31 March 2024	65,348	24,349	89,697
Depreciation			
At 1 April 2023	-	10,217	10,217
Charge for the year	-	2,507	2,507
At 31 March 2024	-	12,724	12,724
Net book value			
At 31 March 2024	65,348	11,625	76,973
At 31 March 2023	-	14,132	14,132

The Nine Elms project is currently in the course of construction.

12. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	47,203	18,973
Other debtors	4	7,571
Tax recoverable	25,259	136,155
	72,466	162,699

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Creditors: Amounts falling due within one year

	2024 £	2023 £
Bank overdrafts	-	2,069
Other loans	12,000	-
Trade creditors	16,063	64,665
Other taxation and social security	8,377	14,925
Other creditors	7,739	4,774
Accruals and deferred income	70,000	50,000
	<u>114,179</u>	<u>136,433</u>
	2024 £	2023 £
Deferred income at 1 April 2023	50,000	-
Resources deferred during the year	70,000	50,000
Amounts released from previous periods	(50,000)	-
	<u>70,000</u>	<u>50,000</u>

The Cockayne grant of £50,000 designated for RIBA Stage 4 of our Nine Elms development was deferred during the year to 31 March 2023 pending the formal start of the phase which began in October 2023. Contributions totalling £70,000 received from Concord, Eilene Davidson and Dynamis Ltd during the year to 31 March 2024 have been deferred to later phases due to commence in the years to 31 March 2025 and 31 March 2026.

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

	2024 £	2023 £
Other loans	22,000	45,000
Deferred capital grant	-	1,000
	<u>22,000</u>	<u>46,000</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.

THEATRE503 LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Unrestricted funds					
Designated funds					
Nine Elms capital spend	-	-	-	65,348	65,348
General funds					
General Fund	30,822	295,442	(324,506)	612	2,370
Total Unrestricted funds	30,822	295,442	(324,506)	65,960	67,718
	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Restricted funds					
Arts Council England	-	1,779	(1,779)	-	-
Wandsworth Council	2,059	-	-	(612)	1,447
Amortisation	-	1,000	(1,000)	-	-
Carne Associate Director	-	13,000	(13,000)	-	-
Production contributions	-	33,283	(33,283)	-	-
Concorde Theatrical	6,000	-	(6,000)	-	-
503Five	3,350	16,000	(5,716)	-	13,634
Capital project	16,520	93,000	-	(65,348)	44,172
	27,929	158,062	(60,778)	(65,960)	59,253
Total of funds	58,751	453,504	(385,284)	-	126,971

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2023 £</i>
Unrestricted funds					
General Fund	10,164	233,566	(248,701)	35,793	30,822
Restricted funds					
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
Total of funds	58,565	409,718	(409,532)	-	58,751

Further explanation of the funds is provided within the Trustees' Report.

The transfers from Restricted funds represent:

Bursary places provided to the value of £612 out of the Wandsworth Writes funding provided by Wandsworth Council.

Expenditure of £65,348 raised for the Nine Elms Project, included as fixed assets and transferred to the Designated fund.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds - income 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	76,973	76,973
Current assets	129,253	56,924	186,177
Creditors due within one year	(70,000)	(32,179)	(102,179)
Creditors due in more than one year	-	(34,000)	(34,000)
Total	59,253	67,718	126,971

Analysis of net assets between funds - prior period

	<i>Restricted funds 2023 £</i>	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
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)
Total	27,929	30,822	58,751

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 £4,004 (2023: £4,184).

Contributions of £5,762 (2023: £4,774) were payable to the fund at the balance sheet date and are included in creditors.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

18. Related party transactions

The aggregate amount of donations made by trustees or connected parties without conditions during the year was £5,000 (2023: £20,000).

Eleanor Lloyd, a trustee, provided advances to support the charity's cash flow as part of the initial move to the new operating model. £34,000 (2023: £45,000) was outstanding at the end of the year.

Jack Tilbury, a trustee, is a director of Plann Ltd appointed as project manager to lead our Capital project for the development of our new studio space. The charity paid £11,920 (2023: £Nil) in fees related to this project during the year.

Celine Gagnon, a trustee during the year, charged the charity £8,000 for capital fundraising consultancy services during the year to 31 March 2024 (2023: £3,200).

There were no other material related party transactions requiring disclosure during the period (2023: None).