

The Montgomery Theatre and Arts Centre Limited

Annual Report and Financial Statements

for the year ended 31 December 2023

The Montgomery Theatre and Arts Centre Limited

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The Montgomery Theatre and Arts Centre Limited

Legal and administrative information for the year ended 31 December 2023

Other names

Montgomery Arts and Christian Centre Sheffield Limited
SCEC and MACS
The Montgomery

Previous name
Working name
Working name

Directors

Emma Allison		Resigned 29 September 2023
Smart Banda		
Linda Bloomfield		Resigned 24 April 2024
David Campbell	Chair	
John Hudson		
Glyn Jones		
Sarah Mashford		

Key management

Managing Director	Sarah Sharp	Until May 2024
Interim CEO	Linda Bloomfield	From May 2024
Venue Manager	Chris Ellis	
General Manager	Katy Mitchell	From February 2023

Company number

07963026

Charity number

1148489

Registered office

The Montgomery
Surrey Street
Sheffield
S1 2LG

Independent auditor

UHY Hacker Young
6 Broadfield Court
Broadfield Way
Sheffield
S8 0XF

Accountants

Seven Hills Accountants Limited
57 Burton Street
Sheffield
S6 2HH

Bankers

The Co-operative Bank
1 Balloon Street
Manchester
M4 4BE

CCLA Fund Managers Limited
One Angel Lane
London
EC4R 3AB

The Montgomery Theatre and Arts Centre Limited

Trustees' annual report for the year ended 31 December 2023

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 December 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued in October 2019.

This is the Trustees' annual report for The Montgomery Theatre and Arts Centre Limited ("The Montgomery"), a registered charity, which under different names has been in existence for over 200 years serving the needs of the people of the city.

In 1886 our city centre venue, Montgomery Hall, was built in memory of James Montgomery, a prominent city leader and active promoter of literacy, numeracy and Christian teaching and for the children of Sheffield. The venue has a rich history in the entertainment life of the city, particularly in music, theatre, literature and the arts, and at present comprises a 420-seat theatre as well as a Studio space, gallery and flexible space for workshops, rehearsal and other creative activities. The focus of the charity remains to serve the needs of the city and honour its heritage and the vision of its founders, by featuring many community performing arts companies, presenting a programme of professional touring theatre for children and families, supporting local artists by providing space for exhibiting their work, and hosting commercial touring productions.

Objectives, Mission, Vision and Values

During 2022, the objects of the charity were changed to reflect the trustees commitment to maintaining and adapting the historic building for future use. The amended objects are:

- to preserve and maintain the building known as the Montgomery Centre and:
- to advance public education and appreciation of creative and performing arts

Since then we have embarked on a major capital refurbishment project that will culminate in the facilities at The Montgomery being brought up to current day standards. This work, when finished, will ensure that access to the building will not hinder anyone who wishes to enter the building, from doing so. The work includes the installation of lifts and enhanced comfort facilities for audience and performers alike.

Our Mission is to provide space and opportunities for the people of Sheffield to discover, develop, experience and share their creativity.

Our Vision is to be the most important community theatre in Sheffield, where people from all communities, families, children and young people can share and explore creativity through performance and the arts.

The Montgomery Theatre and Arts Centre Limited

Trustees' annual report - continued for the year ended 31 December 2023

Our Values are:

Honesty

We build trust through transparency and ethical choices.

Care

We show care and respect to all by being welcoming, warm and kind.

Collaboration

We respond to the needs of our partners by listening and embracing ideas with a willingness to adapt.

Courage

We follow our hearts to work with initiative, enthusiasm, passion and dedication towards a common goal that builds on our history.

Equity

We allocate the exact resources and opportunities to enable everyone to participate in our offer.

The Montgomery seeks to achieve its objectives through continuing and building relationships with a wide variety of organisations throughout the city and beyond. The values of the Family Arts Standards are at the forefront of our arts programming and the redevelopment of our venue. We offer a multi-disciplinary family arts experience unique to the City, with facilities available to hire, as well as offering our own programme of creative activities and performances for young people provided by professionals.

The trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit when reviewing our aims and objectives and in planning our activities. Details of how the charity provides public benefit is included within the achievement and performance section.

The Montgomery Theatre and Arts Centre Limited

Trustees' annual report - continued for the year ended 31 December 2023

Chair's Report

Last year I was able to comment on the success we achieved in raising sufficient funds to commence an ambitious redevelopment plan. The plan is aimed at enhancing the fabric of our theatre building with an emphasis on providing facilities to grant full access to the theatre to people regardless of disability or mobility issues. We closed the theatre in July 2023 to enable the redevelopment project to start and since then, have managed to produce a small number of "Monty on the Move" events where we take our artistic programme to outside venues aimed at younger audiences. These shows have been successful judging by the enthusiastic reception they each received.

The redevelopment plan was originally scheduled to complete in early 2024, but a series of unforeseen construction related hold ups and problems mean that the timetable for re-opening the theatre has slipped to Autumn 2024. These issues have a knock-on effect on our capital budget where, in common with many of the refurbishment and upgrade type projects in train in Sheffield and elsewhere, the final cost estimate has exceeded the original planned total. This set of circumstances has led to us having to negotiate additional support from our funding partners as well as financial help from other sources. The cost over-runs result largely from unforeseen problems in converting parts of our building, whose original fabric dates back over 100 years, and dealing with aspects of subsequent alterations and modifications that are no longer fit for purpose in public buildings. A prime example is the extensive use of asbestos in construction in the last century, and the need to upgrade fire safety measures such as fire-resistant doors throughout the building.

We continue to look at all possible sources of additional funding to bridge the gap between our original budget and the likely final cost of the redevelopment. All being well we plan to reopen the theatre in October 2024 and we have a number of bookings already to kickstart our theatrical programme. We believe that the enhancements to the Montgomery's infrastructure will lead to further uptake on the part of productions wishing to use our facilities. The improvements to access and audience comfort are likely to add to the demand from users to stage their productions at the Montgomery, which in turn will give a boost to our mission to be a leading arts centre for children, young people and community groups in our region. We will also stay true to our mission to remain an arts centre of sanctuary, an aspect of our mission that is as important now as it has ever been.

Keeping a facility such as the Montgomery running and sustainable takes a huge amount of effort and hard work. We rely on a small core team of employees to keep our show on the road, as well as countless volunteers and members of community groups. I place on record our thanks for all that you have contributed over the past year and more. We also have a dedicated group of trustees who lend their time and expertise to the mission of the Montgomery, and I thank them too for their resilience and professionalism during a period of significant change. As we move towards the future, we have also to think about how we best shape the sustainability model for the Montgomery. This could lead to further radical changes that will help to maintain the Montgomery's position in accordance with its mission, and we will update our website with information about changes as these come into sharper focus.

We hope that the political climate for the support of the arts in the UK will also change for the better in the coming months, and that institutions such as the Montgomery will benefit from these changes. The work we do is important as an indicator of the health of society at large, and such work needs and deserves all the support it can muster.

David Campbell
Chair

The Montgomery Theatre and Arts Centre Limited

Trustees' annual report - continued for the year ended 31 December 2023

Achievements and performance

We began a huge endeavour in 2023 to start a capital project to transform our building for better use for all of our building users, chiefly children and young people. As we seek to develop our work and programmes towards running programmes for children and young people it became imperative that the building was modified to better serve these needs. After securing funding from the Future High Street Fund and the Youth Investment Fund, the capital project began with asbestos removal works in August and then the full works started in September. The team moved over to offices in the Lyceum Theatre thanks to support from Sheffield Theatres. Up to this point, we continued to attract our regular bookings to use the theatre and facilities for community. We also brought our bar service "in house" to enhance our margin contributions from this source. Activities with children and young people continued where possible and are detailed below. The capital redevelopment was the defining project of 2023 as a small team with huge change to grapple. We had a new General Manager join our team at a critical time for preparing for the move. We still managed to deliver brilliant outputs for children and young people despite putting a huge amount of effort into the capital project. We are very grateful for the revenue funding that the Youth Investment Fund are giving us as it allowed us to keep delivering whilst closed and keep on a small staff team despite losing all income generation from the building. Without that support it would not have been possible.

Core programme and participation

Monty Makers

Our Monty Makers strand of work continued to grow in 2023 with many successful performances and events. Our website re-brand and overhaul then continued to add information about our Monty Makers work into the site so people could read more about the work.

The partnership project we began in 2022 with Stand and Be Counted Theatre Company (SBC) with the Youth Theatre of Sanctuary continued to grow from strength to strength. This partnership project sees both SBC and the Montgomery try to fundraise to deliver at least 40 sessions per year.

Initial recruitment was via Refugee Council (25 participants) and is now word of mouth only - participants act as Community Ambassadors. For immediate welcome of new arrivals Refugee Council and City of Sanctuary get in touch.

Since beginning we have welcomed 63 participants until 2023. 42 were regular attendees in 2023.

In 2023 SBC worked on brilliant productions with the Youth Theatre of Sanctuary, including welcoming new commissions from other organisations such as the National Videogame Museum in Sheffield. Secret Summer was created in 2022, which is a binaural story walk with an app-based with live performance alongside and this continued to be developed in 2023. This production was taken to Deer Shed family festival in 2023.

The Youth Theatre of Sanctuary had to go 'on the move' alongside the rest of our Monty Makers programme (forming Monty on the Move) from July 2023, due to our capital redevelopment works. But we have missed having SBC and the Youth Theatre of Sanctuary in the building so we can't wait to have them back when we reopen. In 2024 we also hope to officially become a Theatre of Sanctuary pending an application to the City of Sanctuary for this. We continue to be very grateful to all of the funders that allowed us to expand and continue our Youth Theatre of Sanctuary sessions in 2023. We are currently trying to raise more core funding for this and are excited that we will be working with a Youth and Community Worker in 2023 who will help the Montgomery contribute more time and expertise to the Youth Theatre of Sanctuary with Stand and Be Counted Theatre Company. We would also like to thank SBC Theatre for all of their hard work in delivering and supporting the Youth Theatre of Sanctuary outside of our building, and for Sheffield Theatres for their support in ensuring these sessions could still go ahead whilst we are closed.

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In total in 2023 42 sessions of the Youth Theatre of Sanctuary were delivered, building on the 39 sessions delivered in 2023. For 2024 our aim is to help SBC deliver at least half of all Youth Theatre of Sanctuary sessions. We are currently seeking funding to be able to do this.

We supported the community tour of Anna Hibiscus' Song by Utopia Theatre with performances in our studio. We were able to offer this show as a Pay What You Decide performance to the public and free for schools to attend. Our attendance at these performances was 100% and we even had a waiting list for the public performance. We would like to thank Utopia Theatre for bringing us this fantastic production.

Programming 'Monty Makers' performances through the Big Imaginations network, we were able to present the following shows thanks to support from funders as well as Big Imaginations, led by Z-Arts in Manchester:

- Club Origami by Takeshi Matsumoto
- Alfie's First Fight by Oliver Sykes
- The Dancing Elephant by Riri's Dance Academy

Mini Mig Mat at the Monty

Launching our first Mini Mig Mat at the Monty, in partnership with Migration Matters festival and supported by Stand and Be Counted Theatre Company.

We delivered two jam packed days of performances and events at the Monty including:

- The Bull and the Moon – Denada Dance Theatre
- Tree of Objects - Orang Collectif
- Super Chefs – Maya Productions
- Baba's Musical Kitchen - Iryna Muha and creative Liga Orlovska
- Mums4Inspiration Open Mic Night

The Youth Theatre of Sanctuary had a brilliant time attending the Bull and the Moon and Baba's Musical Kitchen workshop. It was brilliant to see children of all ages making music and getting involved in the action.

We are looking forward to expanding Mini Mig Mat at the Monty in 2024 with the Youth Theatre of Sanctuary being the key decision makers of what happens across the weekend.

Developing 'Monty on the Move' through the summer

We had a successful expansion of Monty on the Move, delivering 4 days of activities across Sheffield during the summer holidays:

- Tala Lee Turton – dance workshop at the Leadmill
- The Not So Big Bad Wolf by Wrongsemble at Sheffield Ampitheatre – two performances and a workshop
- SBC Theatre – workshop at Victoria Hall
- Reynard and The Fox by The Fabularium at Endcliffe Park – two performances and a workshop

HAF, Family Fun Days and Community Cinema Screenings:

We continued our work with Healthy Holidays Activities and Food programme funded by Sheffield Council. Delivering free workshops in April and August. Where activity was not funded by the council we raised funds to deliver free Family Fun Days which took place in half terms. We paused delivering our family friendly Community Cinema Club due to lack of volunteers and funding, but we hope to reintroduce this programme in the future.

The Montgomery Theatre and Arts Centre Limited

Trustees' annual report - continued for the year ended 31 December 2023

Festivals

We welcomed back several primary schools to present performances as part of a mini-**Schools Festival** in June 2022 featuring performances such as St Marie's Theatre Club - Treachery at Traitor's Quay, Athelstan Primary School – Porridge and Ecclesall Primary School - Darwin Rocks! This is a strand we hope to further grow fundraising for in future years to expand the offer.

Alongside Monty Makers we have also continued to be a vital **Community Group** venue with many community companies still hiring us and presenting their workshops and productions in the building. We were sad this had to pause mid 2023 following the start of our capital redevelopment works but we hope to welcome the companies back once we reopen again.

Volunteers

We hosted 3 volunteer/placement students through the University of Sheffield over the summer holidays, which helped to deliver our summer programmes. One of those placement students have continued to work with us afterward the scheme ended as our Marketing Assistant and is a very welcome addition to the team.

We plan to apply to similar schemes in 2024 and work with more summer internship programmes for Monty on the Move over the summer months.

Networks:

Big Imaginations

The Big Imaginations Network, led by Z-arts in Manchester, is a collaborative initiative that focuses on providing high-quality and imaginative theatre for children aged 0-13 across the North of England. This network consists of 21 arts venues and organisations that aim to make theatre accessible and affordable for young audiences and their families, spanning from grand auditoriums to rural village halls ([Z-arts](#)) ([Big Imaginations](#)).

The Big Imaginations Network supports artists through commissions, artist development programs, and collaborative opportunities to create and tour performances. This network also helps in audience development and ensures that children and families have access to enriching cultural experiences regardless of their location. Being a part of this network has been instrumental in the Montgomery growing its work by for and with family audiences in Sheffield.

Create Sheffield Network

Create Sheffield is an organisation that focuses on supporting and promoting the arts, culture, and creativity within education across Sheffield, England. It aims to ensure that children and young people in Sheffield have access to high-quality cultural education and creative experiences.

Create Sheffield collaborates with a variety of partners, including schools, artists, cultural organisations, and community groups, to foster a vibrant cultural education landscape. Their activities often include workshops, events, and projects designed to engage young people and encourage their creative expression.

The Montgomery Theatre and Arts Centre Limited

Trustees' annual report - continued for the year ended 31 December 2023

Achievements summary

In delivering these key strands of work in 'Monty Makers' whilst beginning a capital redevelopment project in order to make our 138-year-old building accessible for the first time in its history, we achieved our aims of ensuring that we are working towards being a leading arts centre for children and young people.

Our core objectives are to:

- Ensure we reduce barriers to children and young people engaging in the arts, ensuring that we support children and young people from diverse backgrounds and low-income families through programmes such as HAF
- Work towards becoming a Theatre of Sanctuary to ensure that we champion the message of welcome to all and uphold the legacy of our location in Sheffield which was the first City of Sanctuary
- Make our historic building more accessible, so no child or young person is excluded from our offer
- Maintain our programme for community use of the facilities as far as possible compatible with the need to close the theatre building for refurbishment

We have achieved our objectives by running various projects and programmes such as the Youth Theatre of Sanctuary partnership with SBC Theatre, Monty on the Move and Mini Mig Mat. These projects all help us on our journey of ensuring the arts reach the children and families who otherwise might not have engaged – whether that's due to language barriers or financial barriers. We also did this whilst starting a major capital redevelopment project and with a reduced team, so we have made significant headway in achieving these aims.

Financial review and fundraising activities

The charity's principal sources of funds in 2023 came through earned revenue in the first portion of 2023, followed by capital redevelopment funding that increased in the later part of 2023.

We were successful in gaining funding from 11 trusts and foundations out of 25 applied to in total.

As the year continued we saw this fundraising get harder to be successful in, with more trusts and foundations giving strong feedback despite negative funding news. In 2023 we started working with a freelance fundraiser for the first time in late Autumn as our Director's time was taken up more by the ongoing capital redevelopment project.

We were not able to start an older youth group for 12–16-year-olds due to not securing funding for this programme to begin. We were not able to expand the Youth Theatre of Sanctuary to run sessions for the parents of the youth group concurrently with the youth sessions as we hoped to expand this through the Cost of Living fund.

Our individual giving through donations also took a hit due to the capital redevelopment, this showed us that a lot of our donations came through ticket sales on the website. This is an area we would like to expand in following years once we have shows back on sale.

The financial effect of significant events such as the capital redevelopment has had a huge impact on the Montgomery that is still being felt in 2024. The context of this project has meant the staff team was significantly reduced alongside activities scaled down during the time of closure. The capital project was always planned to take place for the whole of 2023. The Friends of the Montgomery decided to close in 2023 due to the new staff team at the Monty and changing operations during the redevelopment. We hope to expand fundraising operations in future and launch a new Friends campaign one day.

Investment policy

The Montgomery recognises the need to safeguard and maximise its income. Cash investment is held in the COIF Charities Deposit Fund.

The Montgomery Theatre and Arts Centre Limited

Trustees' annual report - continued for the year ended 31 December 2023

Reserves policy and going concern

The trustees have agreed that it is prudent to hold free reserves (general funds excluding fixed assets) of at least six month's basic staff and operational costs (£120,000) as well as enough budget to plan for any unexpected maintenance work (£50,000). This figure is approximately £170,000. Free reserves are calculated as the general fund balance, excluding the accounting value of tangible assets.

At 31 December 2023, the free reserves were £183,300. In view of the demands of funding the capital project, the trustees have agreed that it is in order for them to authorise the use of the reserves to cover aspects of the capital expenditure programme.

Since the year end, in order to meet the challenges posed from the lack of regular revenue from our operations, the trustees have been mindful in ensuring that costs are contained or reduced where possible; fundraising has been stepped up with the appointment of a dedicated resource person; strategic partnerships with other arts organisations and community groups are being maximised; new revenue sources are being pursued such as hosting special events, membership initiatives and enhanced use of digital platforms for donations; and making additional use of the theatre building for special events, TV productions and as a wedding venue.

The trustees have considered using loan or other asset financing to bolster the funds that have been available for the capital redevelopment programme. Offers of finance were forthcoming, but the trustees decided that it would only be a last resort measure should a funding gap emerge. There has so far been no need to call on these facilities.

Despite these strategies, there remains a degree of uncertainty due to external factors beyond the Montgomery's control, such as further economic fluctuations, unexpected maintenance issues with the historic building, and public engagement levels. The charity's trustees are committed to closely monitoring the situation, adapting strategies as necessary, and maintaining transparency with stakeholders to navigate these challenging times.

The trustees have prepared and reviewed financial forecasts for the 2024 and 2025 calendar years and are of the view that The Montgomery will remain as a going concern over this time period.

Plans for the future

Our future planning sees us continue to expand our successful in-house strand of performance and participation work for children and families in the form of our Monty Makers programme. 2024 will form a significant year for us finishing capital works to enable disabled access to the building for the first time in its 137-year history. This capital redevelopment has required major building work to change the layout of the building to accommodate the installation of a lift as well as associated works from opening the fabric of the building such as asbestos removal works. We will be opening the building after a period of prolonged closure due to these works. We will continue to strive towards our goal of becoming Yorkshire's leading Arts Centre for Children and Young people, and a Theatre of Sanctuary pending an application to Sheffield City of Sanctuary in 2024. We will look to expand and consolidate partnerships that could form significant benefit to the operation of the charity and its further support of achieving our mission and vision.

Structure Governance & management

The Montgomery Theatre and Arts Centre Limited is governed by its Articles of Association, dated 23 February 2012 (and amended in 2017, 2020 and 2022), and constitutes a company limited by guarantee. This established the objects and powers of the charitable company. In the event of the company being wound up members are required to contribute the sum of £1. Registration with the Charity commission was completed on 9 August 2012.

The Montgomery Theatre and Arts Centre Limited

Trustees' annual report - continued for the year ended 31 December 2023

Trustee Recruitment and appointment

The Montgomery's trustee selection process is structured to ensure the right fit for the organisation. It begins with advertising the trustee role and providing a detailed trustee pack outlining the theatre's mission and responsibilities. Interested candidates apply and are then engaged in an informal conversation to assess initial suitability.

Successful applicants proceed to a more formal interview, discussing their qualifications and alignment with the theatre's needs. Candidates who advance are invited to observe a trustee meeting, offering insight into board operations and dynamics.

Following this observation, a further discussion addresses any remaining questions. If all parties are satisfied, the candidate is formally appointed to the board and uploaded to Companies House and the Charity Commission. This comprehensive approach ensures the selection of trustees who are both capable and aligned with The Montgomery's mission and values.

All new trustees are offered additional training. In 2023 trustees were offered training via the Heritage Compass training scheme, of which the Montgomery is a part. Trustees are also sent the Charity Commission guidance around the role of a trustee.

Organisation

The board of trustees meets regularly and is responsible for overseeing the administration of the charity.

The day-to-day decisions and running of The Montgomery is overseen by the Managing Director and staff. Their salaries are set by the trustees, with increases in line with inflation subject to budget constraints. In 2021 The Montgomery committed to paying all employed staff the living wage.

The conflicts of interest policy is laid down by the Articles of Association, and the Montgomery always endeavours to act in its best interests.

Risk management

The trustees, in conjunction with staff members, have conducted their own review of the major risks to which the Montgomery is exposed, and steps have been taken to mitigate those risks. These procedures are regularly reviewed to ensure that they still meet the needs of the charity.

Principal Risks:

1. **Ongoing Capital Redevelopment Project:** as we are currently engaged in a significant capital redevelopment project where there are risks associated with increased costs and prolonged timelines. Unanticipated expenses and delays could strain financial resources and impact project completion.
2. **Rising Costs Due to the Cost-of-Living Crisis:** The current cost of living crisis presents substantial financial challenges. Increased expenses in utilities, staff wages, and other essential areas may put additional pressure on our budgets.
3. **Fundraising:** The Montgomery is dependent on raising funds from arts organisations and other such funders. If the appetite for providing funding diminishes to the detriment of the Montgomery, then the financial pressures we experience will increase.
4. **Public appetite:** Like other arts venues, we are dependent on the audiences we appeal to, to continue attending the events we put on for them. Public appetite can of course be impacted by other cost of living pressures.
5. **Maintaining a 138-Year-Old Building:** There is a degree of uncertainty that comes with operating from an old building. Whilst our refurbishment programme addresses most of the obvious immediate issues, we can never be sure about what is around the corner.

The Montgomery Theatre and Arts Centre Limited

Trustees' annual report - continued for the year ended 31 December 2023

Plans and Strategies for Managing Risks:

1. **Collaboration with Other Arts Organisations:** To mitigate the financial strain from increased costs and redevelopment challenges, the charity plans to explore collaborations with other arts organisations which have similar mission/visions to The Montgomery's. These partnerships can help share resources, reduce operational costs, and create strategies that promote growth and resilience in achieving the charity's mission and vision.
2. **Strengthening Networks:** Building stronger networks within the arts and cultural community is essential. By enhancing relationships with stakeholders, donors, and patrons, we aim to secure additional support and funding. Engaging with local businesses and community groups can also provide alternative revenue streams and support mechanisms.
3. **Building Audit and Fundraising for Improvements:** A proactive approach to maintaining the historic building is crucial. We will implement regular building audits to identify and address issues early, preventing larger, costlier problems. Concurrently, focused fundraising campaigns will be launched to finance necessary repairs and improvements, ensuring the building remains safe, functional, and attractive to visitors. We will look to start a relationship with more heritage funders such as the National Lottery Heritage Fund.
4. **Innovative Fundraising and Revenue Generation:** Developing innovative fundraising strategies, such as hosting special events, launching membership programmes, and exploring digital fundraising platforms, can diversify income sources. Additionally, offering exclusive experiences or merchandise can attract new donors and sustain existing ones.
5. **Community Engagement:** Increasing community engagement and outreach efforts will help maintain audience interest and support. By offering inclusive and diverse programming that appeals to a broader demographic, the charity can enhance its appeal and encourage consistent attendance despite economic pressures – this is most notably seen in our development of Pay What You Decide ticketing which enables access at all price points.
6. **Cost Management and Efficiency Improvements:** The charity will conduct thorough reviews of all operational costs to identify potential savings and improve efficiency. Implementing energy-saving measures and exploring renewable energy options can reduce utility expenses as well as funders who prioritise sustainability. Moreover, regular training and development for staff will improve productivity and morale, ensuring high performance and retention.

By adopting these strategies, we aim to navigate the current risks effectively, ensuring the continuation and growth of our cultural contributions and the preservation of our historic venue.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- 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 charity will continue in business.

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Trustees' annual report - continued for the year ended 31 December 2023

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Statement as to disclosure to our auditors

In so far as the trustees are aware:

- there is no relevant information of which the charitable company's auditors is unaware; and
- the trustees, have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors have taken advantage of the exemptions available to small companies.

The directors declare that they have approved the directors' report above on 7 November 2024.

Signed on behalf of the directors:

A handwritten signature in black ink, appearing to read 'David Campbell', with a horizontal line drawn underneath it.

David Campbell
Chair/Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MONTGOMERY THEATRE AND ARTS CENTRE LIMITED

Opinion

We have audited the accounts of The Montgomery Theatre and Arts Centre Limited (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MONTGOMERY THEATRE AND ARTS CENTRE LIMITED - CONTINUED

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MONTGOMERY THEATRE AND ARTS CENTRE LIMITED - CONTINUED

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors, enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters which we are required to address

The financial statements of the charitable company for the year ended 31 December 2022 were unaudited.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Mealing (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

7 November 2024

Chartered Accountants
Statutory Auditor

The Montgomery Theatre and Arts Centre Limited

Statement of financial activities
(incorporating the income and expenditure account)
For the year ended 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Income from:							
Donations and grants (excluding the capital project)	2	13,160	-	13,160	32,324	17,314	49,638
Donations and grants - capital project	3	-	757,228	757,228	-	-	-
Charitable activities	4	89,241	111,878	201,119	173,809	54,875	228,684
Other trading activities	5	62,089	-	62,089	59,906	-	59,906
Investments - bank interest		1,581	-	1,581	349	-	349
Other sources	6	-	2,000	2,000	22,992	-	22,992
Total income		166,071	871,106	1,037,177	289,380	72,189	361,569
Expenditure on:							
Raising funds - fundraising consultancy		700	1,750	2,450	-	-	-
Charitable activities	7	205,912	42,194	248,106	227,769	58,885	286,654
Other trading activities	8	13,506	-	13,506	5,426	2,422	7,848
Total expenditure		220,118	43,944	264,062	233,195	61,307	294,502
Net income/(expenditure)		(54,047)	827,162	773,115	56,185	10,882	67,067
Transfers between funds	17	66,661	(66,661)	-	13,764	(13,764)	-
Net movement in funds		12,614	760,501	773,115	69,949	(2,882)	67,067
Total funds brought forward		337,815	8,934	346,749	267,866	11,816	279,682
Total funds carried forward		350,429	769,435	1,119,864	337,815	8,934	346,749

The Montgomery Theatre and Arts Centre Limited

Balance sheet

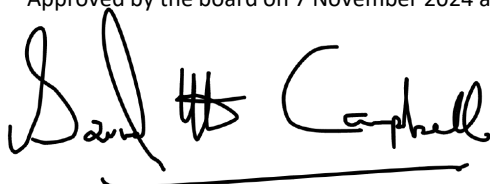
As at 31 December 2023

	Notes	2023 £	2022 £
Fixed Assets			
Tangible Assets	13	837,329	171,212
Current assets			
Debtors	14	18,067	22,133
Cash at bank and in hand		423,047	232,635
Total current assets		441,114	254,768
Creditors: amounts falling due within one year	15	(158,579)	(79,231)
Net current assets		282,535	175,537
Total assets less current liabilities		1,119,864	346,749
Creditors: amounts falling due after more than one year		-	-
Total net assets		1,119,864	346,749
Funds of the Charity			
Unrestricted funds		350,429	337,815
Restricted funds	17	769,435	8,934
Total funds	18	1,119,864	346,749

The director's acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime.

Approved by the board on 7 November 2024 and signed on their behalf by:



David Campbell
Chair/Trustee

The Montgomery Theatre and Arts Centre Limited

Statement of cash flows

For the year ended 31 December 2023

		2023	2022
		£	£
Reconciliation of net expenditure to net cash flow from operating activities			
Net income/(expenditure) for the year (as per the SOFA)	773,115	67,067	
Adjustments for:			
(Increase)/decrease in debtors	4,066	19,169	
Increase/(decrease) in creditors	79,348	(13,230)	
Investment income	(1,581)	(349)	
Depreciation	<u>6,503</u>	<u>5,898</u>	
Cash flows from operating activities			
Net cash provided by/(used in) operating activities		861,451	78,555
Cash flows from investing activities			
Investment income	1,581	349	
Purchase of tangible fixed assets	(672,620)	(18,051)	
Capital project expenditure	<u> </u>	<u> </u>	
Net cash (used in)/provided by investing activities		(671,039)	(17,702)
		<u> </u>	<u> </u>
Change in cash and cash equivalents		190,412	60,853
Cash and cash equivalents at the beginning of the year		232,635	171,782
Cash and cash equivalents at the end of the year		<u><u>423,047</u></u>	<u><u>232,635</u></u>

1 Accounting Policies

(a) Basis of preparation

The Montgomery Theatre and Arts Centre Limited is a charitable company in the United Kingdom limited by guarantee. In the event that the charity is wound up the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the company information on page 1 of these financial statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS 102. The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts. The financial statements are presented in sterling which is the functional currency of the charity and are rounded to the nearest £.

(b) Income

Income is recognised in the SOFA when the charity has entitlement to the funds, any performance conditions attached to the monies have been met, the receipt of the income is probable and its amount can be reliably measured.

Income received in advance of a theatrical performance or provision of other specified services is deferred until the criteria for income recognition are met.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Investment income is included in the accounts when receivable.

(c) Gifts in kind including donated services and facilities

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale of distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as income when receivable.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised in the financial statements.

(d) Expenditure and liabilities

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Support costs include central functions and governance costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(e) Tangible fixed assets

Tangible fixed assets for use by the charity are capitalised if they can be used for more than one year. They are valued at cost or, if gifted, at the value to the charity on receipt.

No depreciation is charged to freehold property as the property is maintained to such a standard that the estimated residual value is not less than cost.

The capital project is accounted for at cost (based on the value of architects' certificates and other direct costs incurred in the year). The capitalised project costs will be depreciated from the accounting period in which the project is completed.

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a straight line basis over their expected useful lives. The rate per annum is as follows:

Equipment	25% - 33%
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1 Accounting Policies - continued

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

(g) Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

(h) Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

(i) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific artistic projects being undertaken by the charity.

(j) Pensions

The organisation has a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

(k) Operating lease rentals

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

(l) Tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

(m) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have prepared and reviewed financial forecasts for the 2024 and 2025 calendar years and are of the view that The Montgomery will remain as a going concern over this time period.

2 Income from donations and grants (excluding the capital project)

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Membership fees	-	-	-	265	-	265
Donations (including donations in kind)	10,961	-	10,961	27,656	114	27,770
Grants	2,199	-	2,199	4,403	17,200	21,603
	13,160	-	13,160	32,324	17,314	49,638

The Montgomery Theatre and Arts Centre Limited
Notes to the Accounts - continued
For the year ended 31 December 2023

3 Income from donations and grants - capital project

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Donations in kind	-	33,381	33,381	-	-	-
Grants towards capital project	-	723,847	723,847	-	-	-
	-	757,228	757,228	-	-	-

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Theatre hire and show income	59,146	1,223	60,369	111,457	-	111,457
Box office charges	7,471	-	7,471	27,673	-	27,673
Room hire	15,825	-	15,825	24,779	-	24,779
Project income	6,799	5,153	11,952	9,900	6,047	15,947
Grants towards projects/activities	-	105,502	105,502	-	48,828	48,828
	89,241	111,878	201,119	173,809	54,875	228,684

Note - Grants towards projects/activities includes the revenue grant towards loss of income due to the closure during the capital project.

5 Income from other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Rents	34,250	-	34,250	49,750	-	49,750
Theatre bar	27,839	-	27,839	10,156	-	10,156
	62,089	-	62,089	59,906	-	59,906

6 Income from other sources

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Kickstart employment scheme	-	-	-	20,992	-	20,992
Student placements	-	2,000	2,000	2,000	-	2,000
	-	2,000	2,000	22,992	-	22,992

The Montgomery Theatre and Arts Centre Limited
Notes to the Accounts - continued
For the year ended 31 December 2023

7 Expenditure on charitable activities

		Unrestricted funds	Restricted funds	Total 2023	Unrestricted funds	Restricted funds	Total 2022
	Note	£	£	£	£	£	£
Performance costs							
Theatre equipment hire		290	-	290	1,036	-	1,036
Programmed events		198	-	198	926	-	926
Projects		841	20,211	21,052	4,914	21,621	26,535
Box office and ticket sales		6,631	-	6,631	16,575	1	16,576
Marketing		689	363	1,052	114	1,950	2,064
Staff costs							
Staff Costs - salaries	9	101,556	26,029	127,585	87,159	24,134	111,293
Salary costs capitalised as part of capital project		-	(7,847)	(7,847)	-	-	-
Freelancers		2,041	-	2,041	2,718	200	2,918
Other staff costs		1,993	88	2,081	540	503	1,043
Premises costs							
Rates		3,708	-	3,708	4,556	-	4,556
Utilities		21,577	-	21,577	14,454	340	14,794
Repairs and renewals		1,874	-	1,874	17,442	7,385	24,827
Cleaning		5,506	1,010	6,516	10,572	2,420	12,992
Insurance		21,099	-	21,099	14,491	-	14,491
Service and maintenance		4,788	-	4,788	3,704	-	3,704
Administration costs							
Telecommunications		3,167	-	3,167	2,783	-	2,783
Administration		4,626	-	4,626	4,869	331	5,200
Marketing - support		-	-	-	198	-	198
Depreciation		6,503	-	6,503	5,898	-	5,898
Legal and professional fees	12	14,821	2,340	17,161	33,626	-	33,626
Governance costs							
Audit/Independent examination fees	10	3,960	-	3,960	1,095	-	1,095
Trustee expenses		44	-	44	99	-	99
		205,912	42,194	248,106	227,769	58,885	286,654

8 Expenditure on other trading activities

	Unrestricted funds	Restricted funds	Total 2023	Unrestricted funds	Restricted funds	Total 2022
	£	£	£	£	£	£
Catering	16,506	-	16,506	1,426	2,422	3,848
Bad debts	(3,000)	-	(3,000)	4,000	-	4,000
	13,506	-	13,506	5,426	2,422	7,848

9 Staff Costs

	2023 £	2022 £
Salaries	122,726	109,945
Employer's National Insurance	8,095	5,801
Employer's allowance	(5,123)	(5,728)
Pension costs	1,887	1,275
	127,585	111,293

No employee received emoluments of more than £60,000. The average number of employees during the period was 12 (2022: 12).

10 Fees to auditors

	2023	2022
	£	£
Auditor's remuneration - audit fees	<u>3,960</u>	<u>-</u>

The previous year's accounts required an independent examination, the fee for which was £1,530.

11 Trustees and key management remuneration, benefits and expenses

No trustees were paid or received any other benefits from employment with the charity in the year. (2022: £nil).

RivelinCo Creative Limited was paid £600 in the year for fundraising support - at that time Linda Bloomfield, trustee, was the sole director of that company. (2022: No trustees received payment for professional or other services supplied to the charity.)

1 trustee received £44 for travel costs to meetings during the year (2022: 1 trustee received £99 for travel costs).

The key management personnel of the charity comprise the trustees, Managing Director, Venue Manager and General Manager (from 2023). The total employee benefits of the key management personnel of the charity were £158,230 (2022: £79,950).

12 Related party transactions

A donation in kind totalling £43,173 has been included in relation to legal advice provided by Eversheds-Sutherland International LLP. Sarah Mashford, trustee, is a partner of this firm and part of the donation in kind is in relation to her time.

Stand and Be Counted Theatre Ltd (SBC) , an organisation specialising in creative arts for those seeking sanctuary, partnered with the Montgomery for various projects during the year. Smart Banda, a trustee of the Montgomery, was also the Digital Director for SBC. £11,414 was paid to SBC for this work, at market value. Smart Banda did not benefit personally from these transactions.

There have been no other related party transactions during the year other than those in note 11.

13 Tangible Fixed Assets

	Freehold Building £	Capital Project £	Equipment £	Total £
Cost or Valuation				
As at 1 January 2023	156,207	-	74,705	230,912
Additions	-	670,200	2,420	672,620
Disposals	-	-	(52,850)	(52,850)
As at 31 December 2023	<u>156,207</u>	<u>670,200</u>	<u>24,275</u>	<u>850,682</u>
Depreciation				
As at 1 January 2023	-	-	59,700	59,700
Charge this period	-	-	6,503	6,503
Disposals	-	-	(52,850)	(52,850)
As at 31 December 2023	<u>-</u>	<u>-</u>	<u>13,353</u>	<u>13,353</u>
Net Book Value				
As at 31 December 2023	<u>156,207</u>	<u>670,200</u>	<u>10,922</u>	<u>837,329</u>
As at 31 December 2022	<u>156,207</u>	<u>-</u>	<u>15,005</u>	<u>171,212</u>

The Freehold building costs relate to the original cost in the 1880s and various rebuild and capital improvement costs since then. It is not practical to apportion the costs of the building between the areas used for charitable activities, and the retail spaces which are incorporated into the main building and rented out.

The capital project is being funded primarily by the Youth Investment Fund, Future High Streets Fund, The Architectural Heritage Fund and the Garfield Weston Foundation. First works began in the summer of 2023 and are planned for completion for autumn 2024.

The capital project additions include external costs, donations in kind in relation to legal advice and internal salary costs.

The Montgomery Theatre and Arts Centre Limited
Notes to the Accounts - continued
For the year ended 31 December 2023

14 Debtors

	2023	2022
	£	£
Trade debtors	2,505	12,757
Prepayments	14,644	9,376
Other debtors	918	-
	18,067	22,133

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	142,440	14,142
Venue hire deposits	1,593	12,940
Hirers' box office takings	3,092	37,090
Accruals	8,068	5,355
Taxes and social security	-	4,396
Other creditors	2,844	5,308
Income received in advance	542	-
	158,579	79,231

16 Income received in advance

	2023	2022
	£	£
Brought forward	-	8,074
Released in the year	-	(8,074)
Deferred in the year	542	-
	542	-

17 Restricted funds

	Balance at 01-Jan-23	Income	Expenditure	Transfers	Balance at 31-Dec-23
	£	£	£	£	£
Sheffield City Mission fund	873	-	-	(873)	-
Godly play	400	-	-	(400)	-
Friends of the Montgomery	2,157	-	-	(2,157)	-
HAF capital costs	953	-	(953)	-	-
Monty Maker's Club	4,551	-	-	(4,551)	-
A Million Monty Makers	-	26,795	(21,695)	(5,100)	-
Monty on the Move	-	14,683	(14,806)	123	-
Universal Youth Work	-	19,400	-	-	19,400
Youth Theatre of Sanctuary	-	3,000	(2,400)	(600)	-
YIF Revenue grant	-	50,000	(4,090)	(55,260)	(9,350)
Capital Project	-	757,228	-	2,157	759,385
	8,934	871,106	(43,944)	(66,661)	769,435

The Montgomery Theatre and Arts Centre Limited
Notes to the Accounts - continued
For the year ended 31 December 2023

17 Restricted funds - continued

Sheffield City Mission fund	Used to subsidise faith work through The Arts.
Godly play	Used for the maintenance of resource boxes.
<i>Both the above funds are old balances and the funders no longer exists. The Trustees decided to use transfer the balance to fund Monty on the Move.</i>	
Friends of the Montgomery	Funds raised by the committee to be spent on specific projects as decided by the members. This group no longer raises fund. It has been decided to transfer the balance to the Capital project, to fund the sorts of equipment and project previously funded by the Funding to support various project costs associated with holiday activities.
HAF capital costs	The transfer represents a reallocation of funds from the previous year.
Monty Maker's Club	Funding to support various project costs associated with A Million Monty Makers and holiday activities - primarily Arts Council England funded. The transfer represents the internal venue use recharge.
A Million Monty Makers	Funding to support various project costs associated with Monty on the Move and holiday activities - primarily Comic Relief funded. £1,273 transfer in represents the contribution from other funds (see above). £1,150 transfer out represents the internal venue use recharge.
Monty on the Move	This grant was originally given towards the Youth Theatre of Sanctuary, but the funds were not required. The funder has allowed different use of the funds - no costs have been incurred against this grant during 2023.
Universal Youth Work	Funding to support the Youth Theatre of Sanctuary activities from the Scurrah Wainwright Charity. The transfer represents the internal venue use recharge.
Youth Theatre of Sanctuary	The revenue grant was received alongside funding towards the Capital project, to cover loss of income (represented by the transfer) and ongoing personnel costs. The fund was in deficit at the year end - a drawdown of funds to balance this out was received from the funder in March 2024.
YIF Revenue grant	The capital project is a significant redevelopment project to revitalise the whole building. See further details in notes 13 and 19.
Capital Project	

<i>Prior year comparative</i>	<i>Balance at 01-Jan-22 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance at 31-Dec-22 £</i>
Sheffield City Mission fund	873	-	-	-	873
Godly play	400	-	-	-	400
Friends of the Montgomery	4,543	114	-	(2,500)	2,157
Arts Council England - Cultural Recovery Fund 2	1,000	-	(1,000)	-	-
Sheffield City Council Community Covid Recovery Grant	-	15,000	(15,000)	-	-
Theatre Trust	5,000	-	(4,985)	(15)	-
Monty Maker's Club - to Aug	-	20,327	(17,127)	(3,200)	-
Monty Maker's Club - October	-	9,030	(4,216)	(263)	4,551
Monty Maker's Club - Oct - Dec	-	6,650	(6,050)	(600)	-
Monty Maker's Club - Youth Theatre of Sanctuary	-	9,970	(8,370)	(1,600)	-
Transforming and activating places	-	3,000	(2,200)	(800)	-
HAF capital costs	-	5,898	(159)	(4,786)	953
JG Graves	-	2,200	(2,200)	-	-
	<u>11,816</u>	<u>72,189</u>	<u>(61,307)</u>	<u>(13,764)</u>	<u>8,934</u>

18 Net assets by fund

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Tangible assets	167,129	670,200	837,329	171,212	-	171,212
Current assets	196,925	244,189	441,114	245,834	8,934	254,768
Creditors due within one year	(13,625)	(144,954)	(158,579)	(79,231)	-	(79,231)
	<u>350,429</u>	<u>769,435</u>	<u>1,119,864</u>	<u>337,815</u>	<u>8,934</u>	<u>346,749</u>

19 Capital project - capital commitments

Capital commitments towards the capital project at the year were £942,323.