

**Report of the Directors and
Financial Statements**

**For the Year Ended 31 March 2022
for
Valley Community Theatre
(Company limited by guarantee and not
having share capital)**

**Valley Community Theatre
(Company limited by guarantee and not
having share capital)**

**Contents of the Financial Statements
for the Year Ended 31 March 2022**

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Valley Community Theatre
(Company limited by guarantee and not
having share capital)

Company Information
for the Year Ended 31 March 2022

DIRECTORS:

P Lodge
E Lodge
M Rowland
L Evans
C Freeney
T McLennan

SECRETARY:

M A Ball

REGISTERED OFFICE:

Valley Community Theatre
Childwall Valley Road
Liverpool
Merseyside
L27 3YA

REGISTERED NUMBER:

- COMPANY:

03900667 (England and Wales)

- CHARITY:

1150615 (England and Wales)

**Valley Community Theatre
(Company limited by guarantee and not
having share capital)**

**Report of the Directors
for the Year Ended 31 March 2022**

The directors present their report with the financial statements of the company for the year ended 31 March 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of an arts facilities operator.

The company was incorporated under the Companies Act 1985, under the terms of its Memorandum and Articles of Association, on 29 December 1999, having already been registered as a Charity in accordance with this governing document on 19 October 1994. In 2013 a new Memorandum and Articles of Association was adopted and the charity was registered again. The new registration number is 1150615

RESULTS

The results for the year are shown in the annexed financial statements.

Mission

The Valley Community Theatre

- Aims to advance the education of the public within the Netherley/Childwall (now called “Belle Vale”) areas through the medium of drama in particular and a variety of art-forms including audio-visual and to provide the public with a greater understanding and appreciation of performance related skills.
- Offers opportunities in the arts for young people and other vulnerable groups e.g. vulnerable adults.
- Offers alternative education provision for young people in danger of dropping out of full time education, at risk, hard to reach or facing barriers and for other vulnerable, stigmatised groups.
- Provides a venue for high quality shows, conferences and events.
- Provide as a safe, intergenerational meeting place for those who are concerned or interested in the arts.
- Provide access to accreditation in the arts

Public Benefit

The Trustees have considered the Charities Commissions’ Guidance on public benefit in the shaping of its mission and the planning of the Valley Community Theatre’s activities for the year.

Activity

The principal activity of the company in the year under review was that of an arts facilities operator and providing theatre, dance, music, art and film opportunities for young people and the community.

The Valley Community Theatre is one of the largest, newly refurbished youth theatres in the North West of England, and runs:

- Arts to Inclusion – educational programmes for young people at risk
- Youth Theatre
- Youth Dance, Art, Film & Music/Recording programmes
- Youth Arts Development Forum
- Outreach projects secondary school levels and youth clubs
- Community Arts projects
- Touring Companies for Community Theatre experience
- High quality-equipped training, rehearsal and performance venue for hire.

The Board of Directors/Trustees fulfil their responsibilities as volunteers, and young people are encouraged to contribute to the activities of the VCT when appropriate as supervised volunteers.

**Valley Community Theatre
(Company limited by guarantee and not
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**Report of the Directors (continued)
for the Year Ended 31 March 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure

The company is managed by its volunteer Board of Directors/Trustees, who appoint the Project Director, who line manages sessional and project tutors, artists and administrative staff.

The directors of the Company, and Trustees of the registered charity, during the year under review were:

P Lodge	L Evans
E Lodge	C Freeney
M Rowland	T McLennan

The Board meets once a month for ten months of the year and at other times as necessary.

All the directors, being eligible, offer themselves for election at the forthcoming Annual General Meeting. All directors are trustees for the purposes of charity law. Since the company is limited by guarantee and does not have share capital, they are the subscribing members who have guaranteed to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of guarantees at 31 March 2020 was 4. (2019: 4).

Trustee Induction and Training

Training for existing Trustees and further development of the Board of Directors remains under review. Via the Youth Arts Development Forum, young people have been encouraged and prepared to attend meetings of the Trustees as observers.

Related Parties

From its inception the Theatre has received an annual starter grant from Liverpool City Council. The year under review is the fifth year in concession to offer no such opportunity nor did it offer any opportunity to tender for a specific youth based project. The Theatre continues to see its role in the context of the City's Youth Arts policy and programme and the City's provision for young people at risk, hard to reach or facing barriers.

Risk Management

The Board takes seriously its responsibilities and carries out through its Theatre Director full risk assessments on all activities undertaken. Proper consideration is given to fulfilling the requirements of such policies as the VCT Health and Safety, Fire, Diversity and Safeguarding Policies to ensure the safety of all staff, users and visitors. Regular reviews are carried out and the item is part of the standing Agenda at meetings.

ACHIEVEMENTS AND PERFORMANCE

Valley Community Theatre, Chairs report 21-22

All in all, 2021-22 was another very busy year for our Community Theatre, showing once again how important Valley is as a local hub in the area.

Valley Community Youth Theatre was at the forefront of our activities. It delivered weekly youth theatre sessions, which have given young people the opportunity to learn new skills in areas such as music, art, film, drama, singing, dance, tech and band. The youth team have worked collaboratively with the young people to produce pieces of theatre, film and music that have been shown to the community.

In the Spring, we were preparing for an evening of Youth Theatre as part of the forthcoming "Festivalvalley" in May, which saw three original youth dramatic performances as well as a debut from our in-house band and singers.

HAF funding enabled us to provide free arts sessions and healthy food for our young people and we recently premiered our first music video with an original soundtrack which was created during the summer holidays.

Our numbers have been rapidly growing throughout the year enabling us to collaborate with more local young performers.

**Valley Community Theatre
(Company limited by guarantee and not
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**Report of the Directors (continued)
for the Year Ended 31 March 2022**

Toy Bank Scheme.

The theatre facilitated our first ever **toy bank scheme**. Funded by Arnold Clark & topped up with Valley funds from sales at the cafe we contacted local schools and asked them to discretely identify those most in need. It was not difficult to identify those in need but it was difficult for teachers to decide who was most in need. Feedback from school staff ranged from 'this child has nothing and is expecting nothing for Christmas' to 'this family has had such a struggle of a year'. A list was put together of what each child would really love for Christmas and most gifts were locally sourced, collected and sorted at Valley then hand delivered to key staff at the schools.

It raised awareness of children and families in the community who were most at need and highlighted areas that we as a charity, working in partnership with schools, could make a difference.

Christmas HAF (Holiday Activities with Food).

Aimed at those children who receive free school meals and those from households facing food poverty, this project sponsored by MPAC & LCC, was started in October half term with the Christmas HAF being the highlight of the year. Young people were provided a healthy hot meal and a take home breakfast bag when they attended during the school holidays for a host of free arts activities including Drama, Dance, Singing, Music rehearsals, recording & Art. As a one off, 'Attic Displays' were commissioned by MPAC to deliver Winter Wonderlands to the charities taking part in the programme across the city. This resulted in a professional Polar Express themed Winter Wonderland in the foyer to the delight of young people who had not long been returned to full time on site activities after Covid restrictions. Panto audiences also walked in to experience the display and many of them will remember that year as a special time. Our thanks go to a dedicated staff team and volunteers who worked through school holidays and between Christmas & New Year to ensure young people and their families were supported on many different levels.

ACE.

We began receiving 'ACE' at the theatre. 'ACE' are a local community group who cater for adults with disabilities and run a garden centre. We quickly realised that they really enjoyed weekly drama sessions which resulted in not only a Panto at Christmas but a repeat performance for local community groups in March!

Elite Dance and Drama.

Our longstanding hirer, Elite Dance and Drama, have continued their work with young people, using the theatre for 3 nights midweek and coaching young people in performance to exam level.

Adult Drama

Our adult drama group continues to thrive. After maintaining contact with people through Zoom during the difficult Covid times, it was good to get back to face to face sessions. In August 21, we hosted a Merseyside-wide short play festival, with awards, presided over by an experienced adjudicator. The festival showcased 15 new original plays over three days which was very well attended and furthered our network of contacts adding to our 'Friends of Valley' group. The Adult Group also produced another very successful Panto – Mother Goose - with the theatre having to put on an extra performance to accommodate the audiences.

Valley Community Theatre
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Report of the Directors (continued)
for the Year Ended 31 March 2022

Public Consultation

We conducted a large-scale public consultation in partnership with Liverpool Community and Voluntary Service from July – September 2021 to assess need in our community. This included a mixture of: one to one, group and survey consultation, 4 face to face events with individuals and 1 online meeting with partner agencies.

In total, 15 organisations and 118 individuals were consulted. The results, including a CGI of our proposed ‘Creative Café’, can be found on our website www.valleytheatre.co.uk

Thanks

Finally, we would like to thank trustees, staff and volunteers for their input and hard work throughout the year, especially Martin and Tara.

A special thanks also to all our funders, audiences and supporters without whom none of this would be possible.

FINANCIAL REVIEW

Finances

Total incoming resources for the year amounted to £110,558. Of this £33,245 was unrestricted. The total expended resources were £128,121 of which £17,568 was unrestricted.

Reserves Policy

The Valley Community Theatre aims to maintain a 3 months operating reserve in place.

Statement of Directors’ responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the directors should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PLANS FOR THE FUTURE

The Valley Community Theatre will continue to pursue its youth arts work and work with those with disabilities and barriers via both social and mainstream routes, subject to funding.

ON BEHALF OF THE BOARD:

T McLennan - Chair of Trustees

Dated: 28th December 2022

Valley Community Theatre
(Company limited by guarantee and not
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Statement of Financial Activities
(including Income and Expenditure Account)
For the Year Ended 31 March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
Grants received	2	-	77,323	77,323	141,667
Donations received		990	-	990	-
Incoming resources from charitable activities:		<u>32,245</u>	<u>-</u>	<u>32,245</u>	<u>1,501</u>
Total incoming resources		<u>33,235</u>	<u>77,323</u>	<u>110,558</u>	<u>143,168</u>
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income	3	-	3,545	3,545	3,222
Charitable activities	4	15,540	107,008	122,548	109,345
Governance costs	5	<u>2,028</u>	<u>-</u>	<u>2,028</u>	<u>1,999</u>
Total resources expended	6	<u>17,568</u>	<u>110,553</u>	<u>128,121</u>	<u>114,566</u>
Net incoming resources					
- Net expenditure for the year		15,667	(33,230)	(17,563)	28,662
Gross transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		15,667	(33,230)	(17,563)	28,602
Total funds at 1 April 2021		<u>6,543</u>	<u>50,957</u>	<u>57,500</u>	<u>28,898</u>
Total funds at 31 March 2022		<u>22,210</u>	<u>17,727</u>	<u>39,937</u>	<u>57,500</u>

Movements in funds are disclosed in Note 13 to the financial statements.

DESIGNATED AND ENDOWMENT FUNDS

The charity had no designated or endowment funds in the year.

The notes form part of these financial statements.

Valley Community Theatre
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Balance Sheet
As at 31 March 2022

	Notes	£	2022	£	£	2021	£
FIXED ASSETS:							
Tangible assets	10			8,359			11,494
CURRENT ASSETS:							
Cash at bank and in hand			33,214		47,284		
CREDITORS: Amounts falling							
due with one year	11		1,636		1,278		
NET CURRENT ASSETS				31,578			46,006
TOTAL ASSETS LESS CURRENT				39,937			57,500
LIABILITIES							-
NET ASSETS				£ 39,937			£57,500
RESERVES:							
	12			22,210			6,543
Unrestricted income funds – general				17,727			50,957
Restricted income funds							
				£ 39,937			£57,500

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with FRS 102.

ON BEHALF OF THE BOARD:

.....
 – P. Lodge

Approved by the board on 28th December 2021

The notes form part of these financial statements

**Valley Community Theatre
(Company limited by guarantee and not
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**Notes to the Financial Statements
for the Year Ended 31 March 2022**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, the Companies Act 2006 and follow the recommendations of Statement of Recommended Practice applicable to charities.

Incoming resources

Incoming resources represent grants received from local and central government, via national and European urban regeneration schemes, fundraising activities and sundry receipts. All such income is recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Fundraising and publicity costs comprise those costs incurred in raising funds for the charity and promoting its public profile.

Resources expended on charitable activities comprise all expenditure directly in undertaking the charity's work to meet its charitable objectives.

Governance costs comprise costs incurred directly in governance arrangements relating to the general running of the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost of each asset over its estimated useful life:

Fixtures & Fittings	- 15% straight line
Theatre Equipment	- 15% straight line

Restricted funds

Restricted funds are funded by grants received for use on specified projects, identified as part of the original bid for such funding, and may not be used to finance any other projects or the general operations of the charity. Expenditure which meets these criteria is charged against restricted funds, together with a fair allocation of management and support costs.

Unrestricted funds

Unrestricted funds are grants and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Valley Community Theatre
(Company limited by guarantee and not
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Notes to the Financial Statements (continued)
for the Year Ended 31 March 2022

2. INCOMING RESOURCES FROM ACTIVITIES TO FURTHER THE CHARITY'S OBJECTS

	Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
	£	£	£	£
Grants received				
LCC	-	26,500	26,500	49,643
Arts Council	-	-	-	54,000
LCVS	-	30,260	30,260	-
Netherley Youth Foundation	-	3,897	3,897	6,593
Steve Morgan Foundation	-	16,666	16,666	22,083
	-	-	-	-
	<u>-</u>	<u>77,323</u>	<u>77,323</u>	<u>141,667</u>

3. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
	£	£	£	£
Publicity and promotions	<u>-</u>	<u>3,545</u>	<u>3,545</u>	<u>3,222</u>

4. CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
	£	£	£	£
Staff costs (note 8)	-	70,303	70,303	56,334
Performance	15,540	15,540	15,540	9,153
Practitioners	-	5,377	5,377	3,387
Rent, rates and water	-	3,908	3,908	2,136
Light and heat	-	8,319	8,319	8,272
Telephone	-	1,636	1,636	1,477
Repairs & maintenance	-	5,152	5,152	9,520
Postage and stationery	-	132	132	-
Travel expenses	-	-	-	31
Catering	-	1,694	1,694	-
ICT equipment & maintenance	-	1,097	1,097	71
Insurance	-	6,240	6,240	6,404
Bank charges	-	64	64	-
Professional Fees	-	1,040	1,040	10,514
Depreciation	<u>-</u>	<u>2,046</u>	<u>2,046</u>	<u>2,046</u>
	<u>15,540</u>	<u>107,008</u>	<u>122,548</u>	<u>109,345</u>

Valley Community Theatre
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Notes to the Financial Statements (continued)
for the Year Ended 31 March 2022

5. GOVERNANCE COSTS

	Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
	£	£	£	£
Telephone	289	-	289	260
Rent, rates and water	-	-	-	-
Accountancy	650	-	650	650
Depreciation	<u>1,089</u>	<u>-</u>	<u>1,089</u>	<u>1,089</u>
	<u>2,028</u>	<u>-</u>	<u>2,028</u>	<u>1,999</u>

6. TOTAL RESOURCES EXPENDED

	Staff Costs	Depreciation (owned assets)	Other Costs	2022 Total Costs	2021 Total Costs
	£	£	£	£	£
Costs of generating voluntary income	-	-	3,545	3,545	3,222
Charitable activities	70,303	2,046	50,199	122,548	109,345
Governance costs	<u>-</u>	<u>1,089</u>	<u>939</u>	<u>2,028</u>	<u>1,999</u>
	<u>70,303</u>	<u>3,135</u>	<u>54,683</u>	<u>128,121</u>	<u>114,566</u>

7. NET INCOMING RESOURCES FOR THE YEAR

	2022 £	2021 £
This is stated after charging:		
Depreciation	<u>3,135</u>	<u>3,135</u>

8. STAFF COSTS

	2022 £	2021 £
Staff costs were as follows:		
Wages and salaries	<u>70,303</u>	<u>56,354</u>

No employee received emoluments of more than £50,000.

The average weekly number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2022	2021
Fundraising and publicity	-	-
Charitable activities	4	4
Governance costs	-	-

No remuneration was paid to the directors, nor were any expenses incurred by directors in both years.

Valley Community Theatre
(Company limited by guarantee and not
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Notes to the Financial Statements (continued)
for the Year Ended 31 March 2022

9. **TAXATION**

The charitable company is exempt from corporation tax on its charitable activities.

10. **TANGIBLE FIXED ASSETS**

	<u>Fixtures & Fittings</u>	<u>Theatre Equipment</u>	<u>Total</u>
COST OR VALUATION:			
At 1 April 2021	22,431	38,095	60,526
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2022	<u>22,431</u>	<u>38,095</u>	<u>60,526</u>
DEPRECIATION:			
At 1 April 2021	18,439	30,593	49,032
Charge for the year	<u>1,089</u>	<u>2,046</u>	<u>3,135</u>
At 31 March 2022	<u>19,528</u>	<u>32,639</u>	<u>52,167</u>
NET BOOK VALUE:			
At 31 March 2022	<u>2,903</u>	<u>5,456</u>	<u>8,359</u>
At 31 March 2021	<u>3,992</u>	<u>7,502</u>	<u>11,494</u>

11. **CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade creditors	-	-
Social security and other taxes	986	628
Accrued expenses	<u>650</u>	<u>650</u>
	<u>1,636</u>	<u>1,278</u>

12. **ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	General Funds	Restricted Funds	Total Funds
	£	£	£
Tangible fixed assets	2,903	5,456	8,359
Current assets	19,307	13,907	33,214
Current liabilities	<u>-</u>	<u>(1,636)</u>	<u>(1,636)</u>
Net assets at 31 March 2022	<u>22,210</u>	<u>17,727</u>	<u>39,937</u>

**Valley Community Theatre
(Company limited by guarantee and not
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Independent Examiner's Report to the Trustees of Valley Community Theatre

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charities Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name:	P Taylor
Relevant professional qualification or body:	ACCA
Address:	74 Brook Vale Waterloo Liverpool L22 3YB
Date:	December 2022

This page does not form part of the statutory financial statements

Valley Community Theatre
(Company limited by guarantee and not
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Profit and Loss Account
for the Year Ended 31 March 2022

	<u>2022</u>		<u>2021</u>	
	£	£	£	£
Income:				
Grants received	77,323		141,667	
Donations received	990		-	
Other incoming resources	<u>32,245</u>		<u>1,501</u>	
		110,558		143,168
Expenditure:				
Wages and salaries	70,303		56,334	
Telephone	1,925		1,737	
Postage and stationery	132		-	
Publicity and promotions	3,545		3,222	
Travel expenses	-		31	
ICT equipment & maintenance	1,097		71	
Performance costs	15,540		9,153	
Practitioners	5,377		3,387	
Repairs and equipment	5,152		9,520	
Professional fees	1,040		10,514	
Accountancy	650		650	
Rates and water	3,908		2,136	
Insurance	6,240		6,404	
Light and heat	8,319		8,272	
Catering expenses	<u>1,694</u>		<u>-</u>	
		<u>124,922</u>		<u>111,431</u>
		(11,784)		31,737
Finance costs:				
Bank charges	64		-	
Bank interest	<u>-</u>		<u>-</u>	
		64		-
Depreciation:				
Fixtures & fittings	1,089		1,089	
Theatre equipment	<u>2,046</u>		<u>2,046</u>	
		<u>3,135</u>		<u>3,135</u>
NET PROFIT/(LOSS)		<u>£ (17,563)</u>		<u>£ 28,602</u>

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