

REGISTERED COMPANY NUMBER: 08363016 (England and Wales)  
REGISTERED CHARITY NUMBER: 1154359

**Report of the Trustees and**  
**Unaudited Financial Statements For The Year Ended 31 January 2021**  
**for**  
**Rugby Theatre**

Cottons Accountants LLP  
Chestnut Field House  
Chestnut Field  
Rugby  
Warwickshire  
CV21 2PD

**Rugby Theatre**

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**For The Year Ended 31 January 2021**

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**Rugby Theatre**  
**Report of the Trustees**  
**For The Year Ended 31 January 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 January 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

08363016 (England and Wales)

**Registered Charity number**

1154359

**Registered office**

Henry Street  
Rugby  
Warwickshire  
CV21 2QA

**Trustees**

E L Bright  
M J P Craddock  
A M Derville  
L M Fordham  
R P Grain FCA  
A M Gyles  
Mrs D Hibberd [Chair]  
P Kettle  
P A Leonard  
D F Ratcliffe  
M A P Tolchard  
M L Upjohn

Appointed 3 May 2020

**Company Secretary**

R P Grain

**Independent examiner**

Mark Palmer  
FCA  
Cottons Accountants LLP  
Chestnut Field House  
Chestnut Field  
Rugby  
Warwickshire  
CV21 2PD

**Solicitors**

Brethertons  
Montague House  
2 Clifton Road  
Rugby  
CV21 3PX

**Bankers**

Lloyds Bank plc  
14 Church Street  
Rugby  
CV21 3PL

**Rugby Theatre**  
**Report of the Trustees**  
**For The Year Ended 31 January 2021**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Organisation is a Charitable Company limited by guarantee, incorporated 16 January 2013 and registered as a charity on 28 October 2013. The Company was established under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed by its Articles of Association.

**Organisational structure**

The ultimate governing body of the Theatre is the Board of Trustees. Over the six months leading up to 3 May 2020, the Board was working on a major revision to the structure of the Theatre. The key components of the revision are to improve the efficiency of the management and operation of the Theatre and to strengthen the representation of the wider membership. The new structure was in place with effect from 3 May 2020.

The Board comprises four trustees elected by the membership, up to five executive trustees which are appointees to Theatre Director posts and up to a further six trustees will be co-opted to complement the skillset of the Board of Trustees.

The five executive trustees, which are all volunteer roles, are:

- the Artistic Director
- the Estates Director
- the Finance Director
- the Marketing Director
- the Safeguarding Director

New trustees undergo an induction process where they are given a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and recent financial performance of the charity. New trustees are given opportunities to meet other trustees prior to their attendance at the first applicable board meeting and also meet with key members of the Director team.

There are three sub-committees of the Board, being:

- Creative Management
- Finance and Estates
- Safeguarding

Each sub-committee is made up of 2 or 3 trustees, relevant Directors, Managers and relevant group leaders.

The Creative Management sub-committee is the primary decision-making sub-committee of the Theatre: of necessity, this is a large committee essential to ensure that members have a voice in what is primarily a membership organisation.

The Finance & Estates and Safeguarding sub-committees work along-side Creative Management with specialist expertise carrying out detailed work to support decision making by Creative Management.

Key role requirements of the Theatre Directors and Theatre Managers serving on each sub-committee are an integral part of this structure. This is to ensure that the Trustees can both support and challenge those in post on the performance of their roles.

The trustees elected by the membership are:

E L Bright  
A M Derville  
Mrs D Hibberd  
M A P Tolchard  
M L Upjohn

The executive trustees appointed with effect from 3 May 2020 are:

- the Estates Director      P Kettle
- the Finance Director      R P Grain FCA
- the Marketing Director    L M Fordham [Interim appointee]
- the Safeguarding Director   A M Gyles

The role of Artistic Director is vacant and in the interim is being covered by E L Bright, M A P Tolchard and the Show Directors Group Leader.

**Rugby Theatre**  
**Report of the Trustees**  
**For The Year Ended 31 January 2021**

**STRUCTURE, GOVERNANCE AND MANAGEMENT [continued]**

The co-opted trustees are:

M J P Craddock  
L M Fordham  
P A Leonard  
D F Radcliffe

The Theatre Directors who served under the outgoing structure until 3 May 2020 or earlier resignation were:

Artistic Director - R Sloan – resigned 13 April 2020  
Estates Director - P Kettle  
Finance Director - R P Grain FCA  
Marketing Director - H O'Connor – resigned 3 March 2020  
Production Director - T Holborrow

**Risk management**

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

A risk register is maintained and reviewed regularly to ensure that systems are in place to mitigate exposure.

## **Rugby Theatre**

### **Report of the Trustees** **For The Year Ended 31 January 2021**

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The objects of the Theatre (as declared in the Theatre's Memorandum and Articles of Association) are to study Operatic, Dramatic and other works and to give performances of such works for educational purposes and for the promotion of dramatic art.

##### **Mission**

- To be the best we can be.

##### **Vision**

- To enhance the experience of our members.
- To give visitors a theatrical experience to remember through their whole theatre journey, from ticket purchase and what our theatre has to offer, to how they experience shows.
- To captivate and capture the imagination of the audience with quality live shows that are diverse and highly engaging.

##### **Values**

- Professional
- Enthralling
- Warm and welcoming
- Captivating
- Involving

The charity gives careful consideration to the Charity Commission's general guidance on public benefit when setting objectives and planning activities.

##### **Achievement and Performance**

The Theatre's activities focus on the provision of a regular theatre experience for the people of Rugby and its surrounding areas.

In recent years, the Theatre has presented a core programme of ten shows each year - a total of 80 performances attracting an audience of over 12,000 people. This programme is supported by music hall, studio productions, poetry readings and film screenings.

Membership of the Theatre provides opportunities to participate in all aspects of theatre; acting, backstage support, front of house and maintenance to name a few. The Theatre continues to train and develop members in a variety of skills and has been particularly successful in training new show directors.

It is worth noting that for many years, the Theatre has been the principal provider of live theatre in Rugby and its surrounding area. In the 2019-20 season, the Theatre celebrated its 70<sup>th</sup> year of operation.

However, early in 2020 the Covid-19 pandemic reached the UK. On 16 March 2020, following government advice that the public should avoid certain indoor venues including theatres, the trustees concluded that with great regret the Theatre would close with immediate effect. On 19 March 2020, the government introduced Covid-19 restrictions closing all theatres. The 2020-21 season had been cut short after only one show and three film screenings.

Whilst theatres were briefly permitted to re-open in the summer of 2020, the Theatre was unable to comply with stringent Covid-19 safety measures so was unable to re-open.

Whilst the Theatre has been closed, the Writers Group and the Poetry Group have continued to hold play and poetry readings through virtual meetings.

The Theatre is currently planning changes to its premises to enable operation in a covid-safe environment.

**Rugby Theatre**  
**Report of the Trustees**  
**For The Year Ended 31 January 2021**

**FINANCIAL REVIEW**

The Theatre is fortunate in having substantial reserves to enable it to survive a significant period of closure. The costs incurred during closure have been mitigated by receipt of the Local Restrictions Support Grant. The trustees envisage that planned works will be undertaken during 2021 and that the Theatre may be able to re-open in 2022.

**Reserves policy**

The trustees consider that the charity should maintain sufficient reserves to ensure that the charity is able to maintain the level of services to the members and the public for the foreseeable future.

**Unrestricted Funds:**

Rugby Theatre operates a rolling 12-month programme of activities. To support this Rugby Theatre maintains unrestricted funds equal to the annual running costs of the theatre which are currently c£75,000. These unrestricted funds are therefore held to mitigate any unforeseen events that could prevent the Theatre from staging shows and therefore not generate income.

Rugby Theatre owns and operates from two main buildings which are relatively old and expensive to maintain accordingly Rugby Theatre maintains additional unrestricted funds for a buildings contingency of £50,000.

The total liquid reserves, which form part of the unrestricted funds of the Theatre are therefore maintained at a minimum of £125,000 in line with the above.

**Designated Funds:**

The Infrastructure Project Fund holds designated funds from legacies received from past active members. The legacies were received without restriction but the trustees designated the funds in accordance with the donors' wishes to support major infrastructure projects in the theatre.

The Cyclical Maintenance Fund holds designated funds set aside to fund major cyclical repairs. Initially the trustees will designate £20,000 per annum for this purpose.

**Investment policy**

The trustees have a cautious approach to investment. Monies are held on deposit with UK banks together with a modest investment in an income bond.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Rugby Theatre for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The trustees are responsible for keeping 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 16 June 2021 and signed on its behalf by:

D Hibberd - Trustee

**Independent Examiner's Report to the Trustees of  
Rugby Theatre**

**Independent examiner's report to the trustees of Rugby Theatre ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 January 2021.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

I report on the accounts for the year ended 31 January 2021 set out on pages seven to thirteen.

Mark Palmer  
FCA  
Cottons Accountants LLP  
Chestnut Field House  
Chestnut Field  
Rugby  
Warwickshire  
CV21 2PD

17 June 2021



**Rugby Theatre**

**Statement of Financial Activities**  
**For The Year Ended 31 January 2021**

			Year ended 31/1/21	Year ended 31/1/20
	Notes	General fund £	Designated funds £	Total funds £
<b>INCOMING RESOURCES</b>				
<b>Incoming resources from generated funds</b>				
Voluntary income		631	-	631
Investment income	2	111	-	111
Local Restrictions Support Grant		31,214	-	31,214
<b>Incoming resources from charitable activities</b>				
Operation of theatre		19,333	-	19,333
<b>Other incoming resources</b>		-	-	-
<b>Total incoming resources</b>		51,289	-	51,289
<b>RESOURCES EXPENDED</b>				
<b>Charitable activities</b>				
Operation of theatre		90,251	7,102	97,353
<b>Governance costs</b>		1,953	-	1,953
<b>Total resources expended</b>		92,204	7,102	99,306
<b>NET (OUTGOING) / INCOMING RESOURCES</b>		(40,915)	(7,102)	(48,017)
<b>Transfers to Designated Funds</b>		(20,000)	20,000	-
<b>NET MOVEMENT IN FUNDS</b>		(60,915)	12,898	(48,017)
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>		940,369	455,027	1,395,396
<b>TOTAL FUNDS CARRIED FORWARD</b>		879,454	467,925	1,347,379

The notes form part of these financial statements

**Rugby Theatre**

**Balance Sheet**  
**At 31 January 2021**

				31/1/21	31/1/20
		General fund	Designated	Total funds	Total funds
	Notes	£	fund	£	£
			£		
<b>FIXED ASSETS</b>					
Tangible assets	5	744,188	-	744,188	777,764
<b>CURRENT ASSETS</b>					
Stocks		565	-	565	2,836
Debtors	6	20,861	-	20,861	9,279
Investments	7	10,000	-	10,000	10,000
Cash at bank		<u>144,577</u>	<u>467,925</u>	<u>612,502</u>	<u>665,184</u>
		176,003	467,925	643,928	687,299
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>(16,843)</u>	-	<u>(16,843)</u>	<u>(36,298)</u>
<b>NET CURRENT ASSETS</b>		<u>159,160</u>	<u>467,925</u>	<u>627,085</u>	<u>651,001</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		903,348	467,925	1,371,273	1,428,765
<b>CREDITORS</b>					
Amounts falling due after more than one year	9	<u>(23,894)</u>	-	<u>(23,894)</u>	<u>(33,369)</u>
<b>NET ASSETS</b>		<u><u>879,454</u></u>	<u><u>467,925</u></u>	<u><u>1,347,379</u></u>	<u><u>1,395,396</u></u>
<b>FUNDS</b>	12				
Unrestricted funds				<u>1,347,379</u>	<u>1,395,396</u>
<b>TOTAL FUNDS</b>				<u><u>1,347,379</u></u>	<u><u>1,395,396</u></u>

The notes form part of these financial statements

**Rugby Theatre**

**Balance Sheet - continued**  
**At 31 January 2021**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 January 2021.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 January 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that 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 charitable company as at the end of each financial year and of its surplus or deficit 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 charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 15 June 2021 and were signed on its behalf by:

D Hibberd - Trustee

R P Grain - Trustee

## **Rugby Theatre**

### **Notes to the Financial Statements** **For The Year Ended 31 January 2021**

#### **1. ACCOUNTING POLICIES**

##### **Accounting convention**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income generated from show performances including refreshments income is accounted for on the accruals basis.

Grants and donations are accounted for in the period to which they relate.

##### **Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Tangible fixed assets**

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

Land and buildings	- 2% on cost
Plant and machinery etc	- 20% on reducing balance and 10% on cost

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Taxation**

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

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

##### **VAT**

The theatre is registered for VAT and is subject to the partial exemption rules. It is therefore able to recover a proportion of the input tax incurred. The irrecoverable VAT is included in the accounts as an expense.

#### **2. INVESTMENT INCOME**

	Year ended 31/1/21 £	Year ended 31/1/20 £
Investment income	111	284
Miscellaneous income	-	-
	<u>111</u>	<u>284</u>

**Rugby Theatre**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 January 2021**

**3. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	Year ended 31/1/21 £	Year ended 31/1/20 £
Depreciation - owned assets	33,576	41,771
Independent examination	1,953	1,845
Other services	<u>-</u>	<u>-</u>

**4. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits or the year ended 31 January 2021 nor for the year ended 31 January 2020

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 January 2021 nor for the year ended 31 January 2020.

**5. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 February 2020	755,000	416,828	1,171,828
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 January 2021	<u>755,000</u>	<u>416,828</u>	<u>1,171,828</u>
<b>DEPRECIATION</b>			
At 1 February 2020	89,341	304,723	394,064
Charge for year	<u>15,100</u>	<u>18,476</u>	<u>33,576</u>
At 31 January 2021	<u>104,441</u>	<u>323,199</u>	<u>427,640</u>
<b>NET BOOK VALUE</b>			
At 31 January 2021	<u>650,559</u>	<u>93,629</u>	<u>744,188</u>
At 31 January 2020	<u>665,659</u>	<u>112,105</u>	<u>777,764</u>

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/1/21 £	31/1/20 £
Other debtors	<u>20,861</u>	<u>9,279</u>

**Rugby Theatre**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 January 2021**

**7. CURRENT ASSET INVESTMENTS**

	31/1/21	31/1/20
	£	£
Unlisted investments	<u>10,000</u>	<u>10,000</u>

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

	31/1/21	31/1/20
	£	£
Bank loans and overdrafts	8,900	8,650
Trade creditors	2,199	14,917
Taxation and social security	-	1,738
Other creditors	<u>5,744</u>	<u>10,993</u>
	<u>16,843</u>	<u>36,298</u>

**9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31/1/21	31/1/20
	£	£
Bank loans	23,894	33,369
Other creditors	<u>-</u>	<u>-</u>
	<u>23,894</u>	<u>33,369</u>

**10. SECURED DEBTS**

The following secured debts are included within creditors:

	31/1/21	31/1/20
	£	£
Bank loans	<u>32,794</u>	<u>42,019</u>

The bank loan is repayable over 10 years commencing in March 2014. Interest is charged at 3.79% above the base rate. The loan is secured by a legal mortgage on the property at 2 Henry Street, Rugby.

## Rugby Theatre

### Notes to the Financial Statements - continued For The Year Ended 31 January 2021

#### 11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

		Designated funds	31/1/21 Total funds	31/1/20 Total funds
	General fund £	£	£	£
Fixed assets	744,188	-	744,188	777,764
Current assets	176,003	467,925	643,928	687,299
Current liabilities	(16,843)	-	(16,843)	(36,298)
Long term liabilities	(23,894)	-	(23,894)	(33,369)
	<u>879,454</u>	<u>467,925</u>	<u>1,347,379</u>	<u>1,395,396</u>

#### 12. MOVEMENT IN FUNDS

	At 1/2/20 £	Net movement in funds £	At 31/1/21 £
<b>Unrestricted funds</b>			
General fund	940,369	(60,915)	879,454
Designated funds			
Infrastructure Projects Fund	429,159	(7,790)	421,369
Cyclical Maintenance Fund	25,868	20,688	46,556
Total Designated funds	455,027	12,898	467,925
<b>TOTAL FUNDS</b>	<u>1,395,396</u>	<u>(48,017)</u>	<u>1,347,379</u>

Net movement on funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Transfers £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	51,289	(92,204)	(20,000)	(60,915)
Designated funds	-	(7,102)	20,000	12,898
	51,289	(99,306)	-	(48,017)

#### Designated Funds

The Infrastructure Projects fund was established in 2014 with the legacy received from Michael Dawes Hill who was, for many years, the theatre's Chief Electrician and Head of Lighting Group. Subsequently, designations have been made in respect of the legacy from Richard [Dick] Walsingham who, for many years, contributed hugely to lighting, sound and special effects and from Paul Gibbs, a life-long member of the theatre, who was active in many aspects of theatre life.

The Cyclical Maintenance fund was established in 2019 to provide for major cyclical repairs. Initially, £20,000 per annum will be transferred to the fund.

#### 13. ULTIMATE CONTROLLING PARTY

The company is controlled by the Board of Trustees.

#### 14. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and therefore has no share capital. The liability of each member in the event of wind up is limited to £10.