

Charity Registration No. 1161430

Company Registration No. 1643977 (England and Wales)

CRITERION THEATRE LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

CRITERION THEATRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Elves A Greene K B Sowerby C Firth
Secretary	S Sharpe
Charity number	1161430
Company number	1643977
Registered office	Berkeley Road South Earlsdon Coventry West Midlands United Kingdom CV5 6EF
Independent examiner	John Plumb

CRITERION THEATRE LIMITED

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CRITERION THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

Report of the Trustees

Introduction

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, are pleased to present their report with the financial statements of the charity for the year ended 31 December 2022. 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 for Smaller Entities (the FRSSE) (effective 1 January 2015).

The financial statements comply with the Charities Act 1993, the Memorandum and Articles of Association and the Statement of Recommended Practice-Accounting and Reporting by Charities (SORP 2005).

Reference and Administrative Details

Registered Charity Name: Criterion Theatre Limited

Registered Charity Number: 1161430

Registered Company Number: 01643977

Address of principal office: Criterion Theatre, Berkeley Road South, Coventry, CV5 6EF

Directors and Trustees

The names of Trustees who have served during the reporting period are as follows:

- Jonathon Elves
- Anne-Marie Greene
- Simon Sharpe
- Barbara Sowerby
- Chris Firth

Company Secretary

S Sharpe

Independent examiner

John Plumb, Accountant

Approved by order of the board of trustees on18th July 2023..... and signed on its behalf
by:



J Elves

Trustee

CRITERION THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2022***

Chair's report

The Criterion Theatre is 'The Little Theatre with Big Ambitions'. We own our theatre building and have been producing theatrical entertainment of the highest quality for over sixty years. We are totally reliant on volunteers for all our activities both on and off stage. Our vision is to be the best non-professional theatre company in the West Midlands, producing exemplary theatrical experiences and developing theatre artists, thus fulfilling our charitable objectives of promoting theatre and the dramatic arts in Coventry, Warwickshire, and the West Midlands.

The Covid-19 pandemic continued to have some effect on our ordinary activities in 2022 and one of our productions was still playing to a restricted capacity audience, two productions had to be rescheduled because of Covid outbreaks and audience numbers have been slow to return to expected levels. In 2022 we have produced six main house and one studio production. We have kept the Company and wider membership community connected with regular online play readings and social events. Our children's drama classes have gone from strength to strength with very healthy numbers and drama class participants have been involved in a main house production this year. We have made some measurable progress on our ambitious Equality, Diversity, and Inclusion Action plan. We have ended the year in a solid financial position and look forward optimistically to the future.

Jon Elves, Chair

CRITERION THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2022**

Our Objectives

The charitable objectives of The Criterion Theatre Limited are

:

1. To educate the public in the dramatic and operatic arts
2. To further the development of public appreciation and taste in the said arts.

We achieve these objectives through the following means:

An annual programme of in-house productions: Productions are openly presented to the public. This is selected carefully to present a wide variety of dramatic genres and the use of work by both classic playwrights and the most up to date writers. This ensures the widest public, educative, and developmental potential of the programme. This varied programme also offers educative opportunities to the cast and crew in developing their on- and off-stage skills and competencies.

Volunteering opportunities: The Theatre runs solely on the basis of volunteer activity. There are opportunities for the public to be involved, by joining as members, in all aspects of Theatre activity. This involves the core activity of productions (cast and crew), but also support functions (e.g., running the bar, box office, front of house, health and safety, cleaning, events team etc.). This has educative value in allowing people to be involved in how a theatre works, increasing appreciation for dramatic arts.

Children's drama classes from school years 3 to 10 (aged 7 to 15): Open to the public. Workshops teaching a range of drama skills. A showcase of their learning over the year is presented towards the end of the summer term. There are opportunities for drama class students to participate in relevant in-house productions. Core educative value for children in educating them about drama, plays, acting and developing appreciation for dramatic arts into their lives.

Training opportunities in the dramatic arts: The Theatre hosts regular New Members Nights when the public can come along and find out about what activities the Theatre is engaged in. Individuals are encouraged to become members of the Theatre to get involved in all on stage and off-stage aspects of production regardless of levels of previous experience. Relevant in-house training is offered.

Involvement in the local Coventry community: This includes providing a free of charge one-off meeting venue for local groups. The Theatre is also involved in the annual Earlsdon community festival. Connections with the Coventry Resource Centre for the Blind have been established. This facilitates the Theatre's community involvement and expands the public reach of the dramatic activities undertaken by the Theatre, thus contributing to achieving its charitable objectives.

A venue for external theatre companies and other artistic events (e.g., travelling theatre companies, independent film-makers, musicians, dance troupes): This provides educative value in expanding the exposure of the public to a variety of dramatic and artistic endeavours.

The running of a licensed bar, open two evenings a week and during all productions and events. This trading activity is deemed to be secondary and only in furtherance of our charitable objectives.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guide on public benefit, including the guidance on fee charging. The charity relies on ticket and refreshment sales and membership subscriptions to cover its operating costs. In setting the level of charges and concessions, the Trustees give careful consideration to the accessibility of the events it programmes for those on low incomes.

CRITERION THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

Our Season of Productions

We engage in adventurous and challenging programming, selecting plays across the variety of genres, which stretch actors and technical teams, are relevant to contemporary society, and enjoyable to audiences. The artistic team endeavours to have the most up to date information about new releases, and we are often the first theatre in the region to gain amateur rights to shows. This means that we provide considerable artistic and educative value to our audiences, the public. Without the Criterion Theatre, the public would not have had access to these dramatic pieces of work.

Between January 1st and December 31st 2022, we presented six main house and one studio production/s. These were all live performances to a full capacity (122 seat) audience, except the first which had some days at 80% capacity to facilitate social distancing and then had to be rescheduled because of a Covid outbreak in the cast and crew. 'The Gift' was a ground-breaking amateur premiere, with a core EDI message and requirement for a multi-ethnic cast. It went on via the Lighthorne Festival, to be named outright winner at the National Drama Festival Association Final at the Albany Theatre in July 2022, with additional award for best comedy performance. A pair of two-handed love stories followed with the modern classic 'Two', a couple, isolated by grief and still as relevant today as thirty years ago; and another amateur premiere in 'Midsummer', a play with songs that was both hilarious and captivating. The summer period had a one-night double bill performance of 'Closer to God' combined with a visiting production from sister theatre The Talisman in Kenilworth. 'Mary Stuart' followed, a classical drama written in prose form, before 'The Haunting,' a suitably scary ghostly thriller for Halloween. We finished the year with 'Alice' a modern version of the classic story, which involved ten young people from the drama classes.

Audience numbers are lower than pre-pandemic levels, and there is continued reticence to return to theatre spaces which we know is an industry-wide situation. Overall audience figures averaged 62% across the seven productions in 2022, which is twenty percent down on pre-pandemic levels.



CRITERION THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2022***

Our Educational Activities

As part of fulfilling our charitable objectives to educate and promote appreciation of the dramatic arts, we engage in a programme of educational activities.

Drama Classes

Part of our vision involves inspiring the next generation of actors and theatre audiences, and the Criterion Theatre provides a valuable education in the dramatic arts, and appreciation of theatre for young people within the local area.

Over the reporting period our drama classes have gone from strength to strength with large numbers attending. These classes teach a range of theatrical skills to children and young people. These are open to the public. They involve volunteer tutors drawn from the acting Company, and while there are those that regularly lead the classes, tutors are also drawn on to deliver specialist sessions such as on mime, stage fighting and voice coaching.

We run two drama classes on Saturday mornings in school term times, split by school year age (Class 1: Year 4 to 6; and Class 2: Year 7-10). Parents, carers, and family are invited to come and share in the drama class learning at various opportunities through the year.

Play Readings

Every production in the season has an initial reading before the audition and casting process starts which is open to the public. This is an opportunity for people to hear a play read aloud, participate in taking parts and gain a greater understanding of a particular play. This provides educative value and the appreciation of dramatic arts to the public. It also helps to encourage people to come along and get more involved in productions, either on stage by auditioning or in the multitude of backstage and other support roles.

In addition,, the play reading group has organised monthly online play readings which have contributed to keeping the Company connected and engaged in artistic activities and are useful activities guiding forthcoming seasons.

CRITERION THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2022**

Our Community Activities

We are passionate about Coventry and our place in the local community. While we are limited by our busy production schedule and the space restrictions of our building, we do our best to accommodate and support artistic and dramatic activities taking place in the local community whenever possible.

We provide a free of charge, resourced space for people within the local community to produce and promote works of cultural value. In addition, we provide a resourced venue for national and international theatre companies and other artistic organisations to perform (e.g., travelling theatre companies, independent film-makers, musicians, dance troupes). This year has seen us host the un:mute art exhibition collaboration between Clean Break theatre company and the University of Warwick, funded by the City of Culture in March. In May we provided activities for the Earlsdon Festival, hosted the Elevate Music Festival in July raising money for local women's charities, and provided a venue for Will Johns Blues Act. Local schools have held their PTA meetings, the City Council has held consultation events and local dance troupes have rehearsed in our building.

In this way, we offer considerable value to the public in terms of extending the cultural offering in the local area.

Equality Diversity and Inclusion

The Criterion Theatre is committed to a core aspiration to be a demonstrable place of opportunity for all with diverse and brilliant plays on stage and inclusive company and membership. The lockdown provided a moment when we took time for some serious and considered reflection on where we are as an organisation within our local community. The new EDI Working Group has been set up, with the role to provide direction, support and guidance to the Board and all volunteers on EDI issues and we have set about implementing the EDI Action Plan for 2022. Every play announced now has an EDI Assessment on our website, indicating coverage of diversity issues and any specific casting requirements (gender/gender identity, race/ethnicity, disability, age, sexual orientation) that might be different to our usual policy of neutral and open casting. The choice of plays is now also partly guided by diversity criteria, with soft targets to ensure that there is representation of diverse stories, female playwrights and that at least one play in every season by a playwright of African and Caribbean; Asian, South Asian, East Asian; or South-East Asian heritage.

We are tracking diversity within casting and are pleased to report some progression. With regard to ethnicity, while in 2017 we had no global majority actor within our casts, we were very pleased to report that in 2022, 30% of our actors were from a global majority background. We are working on an accessibility plan and ensuring that disabled visitors have the best experience possible and will embark on a building project in 2023 to install an accessible toilet.

Our Volunteers

We rely totally on a volunteer workforce and have no paid employees. There are opportunities for the public to be involved in all aspects of theatre activity through volunteer roles (all volunteers must also be members of the Theatre). This contributes to the promotion of appreciation of dramatic arts to the public, offering considerable opportunities for important altruistic, artistic, dramatic and 'serious leisure' activities, vital to people's well-being.

To encourage membership and volunteering, it is vitally important that we provide a creative, social, inspirational, and supportive space for anyone who comes in our door, and we are open to people of all ages, experience, background and walks of life. We pride ourselves on our strong sense of community and family. We hope through our volunteering activities that we can demonstrate that theatre matters, and that theatre is fun to be involved in.

We are so lucky to have a strong and loyal group of committed volunteers who are prepared to put in considerable and significant time and effort for the Theatre. Alongside the 150-200 Company members who are directly involved in productions, there are also around 200 members, many of whom provide a variety of support roles in the Theatre (i.e., Box Office, Coffee Bar, Front of House).

CRITERION THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2022**

Public Benefit

The charity have had due regard to guidance published by the Charity Commission on public benefit and consider that the charity complies with the requirements.

Financial Review

At the end of the reporting period, the charity had accumulated cash reserves of £100,507. This puts the charity in a strong financial position against its committed expenditure.

Reserves Policy

The level of unrestricted funds is maintained at a minimum of 3-6 months operational costs.

Pricing Policy

The charity relies on ticket and refreshment sales and membership subscriptions to cover its operating costs. The Trustees consider the highest charge for membership subscription and for ticket prices to be affordable and a 'low fee.' Concessions are available for those aged under 18 years of age. This opinion is based on an assessment of the highest fee charged proportionate to UK average earnings. The ticket prices of the Criterion Theatre Limited are comparable with other non-professional theatres in the region.

Membership subscriptions are very low and have not increased for over 5 years (Company £20; Club £10, Youth £5). The rationale for charging a membership subscription has been carefully considered by the Trustees. Being involved in the areas of production requires a level of commitment to the Theatre that is cemented by membership and the small financial cost of membership. In addition, the Theatre must invest in those members who volunteer for productions in terms of training and insurance. Members gain the benefit of discounted tickets which are a way of generating repeat visits and increased commitment to the Theatre, and are of financial help to those people who like to see multiple productions.

Ticket prices are £10 for members and £12.50 for non-members, being below the average price at sister amateur theatres in the area.

Following a review of costs and inflationary rises, we have increased the bar prices in line with inflation.

Structures, Governance and Management

The Criterion Theatre Limited constitutes a limited company, limited by guarantee, as defined by the Companies act 2006. It is controlled by its governing document, the memorandum and articles using an approved governing document underwritten by the National Operatic and Dramatic Association (NODA). It is registered as a charity with the Charity Commission.

Organisation

Appointment of Trustees

This is based on the voting of members (as defined in clause 10) at a duly constituted general meeting. Under clause 33, the charity may by ordinary resolution:

- (1) appoint a person who is willing to act to be a trustee/director; and
- (2) determine the rotation in which any additional trustee/directors are to retire.

The resignation of trustees/directors in rotation is determined by clause 31 and 32.

The minimum number of trustees is 3 and is currently not subject to any maximum.

Training and Induction of Trustees

To stand for appointment, trustees must meet the requirements of the Charity Commission. Induction will be conducted by present trustees, under the stewardship of the Secretary.

CRITERION THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Voting rights within the charity

All Company members of the charity, whose membership subscription is up to date are eligible to vote at a duly constituted general meeting.

Related Parties

All related interests of Trustees regarding transactions and arrangements have been declared at the duly constituted Board meetings and proceedings undertaken in accordance with Clause 8 and 9 of the governing document.

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.

Plans for the future

The Trustees are responsible for establishing the Strategic Business Plan looking forward over the next five-year period. We are a successful Theatre, with a thriving company and much appeal in the wider community.

However, our core activities are restricted by the capacity and state of our theatre building. Our plan over the last five years has involved complete replacement of our lighting rig, which was finished in 2020. Our theatre building is still in need of refurbishment. Major ongoing deficiencies include, lack of accessible toilet facilities, backstage areas and building structures to the rear which are in a poor state of repair, and lack of effective and consistent heating for winter and comfort-cooling for summer.

In order to fulfil our ambitions of maintaining our current performance standards plus significantly expanding and developing our activities, our plan of work for the short- and long-term future is to engage in fundraising in order to generate alternative sources of income, which can be used to:

Refurbish and redevelop the existing building infrastructure including provision of accessible toilet facilities-planned for early 2023.

- Complete internal decoration and refurbishment
- Improve heating and cooling functionality.
- Redevelop the backstage areas.
- Develop new construction at the rear of the theatre where there is existing undeveloped land.

To progress these plans, we have set up a new Fundraising Committee, and we have a Development Committee, led by the Chair.

The trustees' report was approved by the Board of Trustees.


J Elves
Trustee

Dated 18/7/23

CRITERION THEATRE LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CRITERION THEATRE LIMITED

I report to the trustees on my examination of the financial statements of Criterion Theatre Limited (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act;
or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



John Plumb

Accountant

2 Mews Cottages
Cloister Crofts
Leamington Spa
CV32 6QQ
United Kingdom

Dated: 18/7/23

CRITERION THEATRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
<u>Income From:</u>			
Donations and legacies	3	8,523	6,308
<u>Charitable activities</u>			
Production and performances	4	34,001	14,051
Membership fees	4	5,423	5,049
Other income	4	28,486	14,239
Interest receivable	5	150	6
Total income		76,583	39,653
<u>Expenditure on:</u>			
Production and performance	6	12,552	12,906
Other charitable	6	50,374	37,866
Net (expenditure)/income for the year/ Net movement in funds		13,657	(11,119)
Fund balances at 1 January 2022		335,565	346,684
Fund balances at 31 December 2022		349,222	335,565

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CRITERION THEATRE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed Assets					
Tangible Assets			248,177		261,447
Current Assets					
Stocks		2,043		2,496	
Debtors					
Cash at bank and in hand		100,757		74,650	
		<u>102,800</u>		<u>77,146</u>	
Creditors: amounts falling due within one year		<u>(1,756)</u>		<u>(3,028)</u>	
Net current assets			101,044		74,118
Total assets less current liabilities			<u>349,221</u>		<u>335,565</u>
Income funds					
Unrestricted funds			349,221		335,565
			<u>349,221</u>		<u>335,565</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 18/7/23


J Elves
Trustee

Company Registration No. 1643977

CRITERION THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Criterion Theatre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Berkeley Road South, Earlsdon, Coventry, West Midlands, CV5 6EF, United Kingdom.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

CRITERION THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is 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.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% on cost
Computer equipment	33% on cost
Fixtures, fittings & equipment	15% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CRITERION THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CRITERION THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Donations and gifts	8,523	6,308
	8,523	6,308

4 Charitable activities

	Production and performances £	Membership Fees £	Other Income £	Total 2022 £	Total 2021 £
Box office sales	32,149			32,149	13,193
Subscriptions		5,423		5,423	5,049
Drama class	1,852			1,852	858
Sundry receipts			4,839	4,839	1,225
Lottery			2,385	2,385	2,455
Bar Sales			21,262	21,262	9,559
	34,001	5,423	28,486	67,910	33,339

5 Interest receivable

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Interest Received	150	6

CRITERION THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Charitable activities

	Production and performances	Other charitable	Total 2022	Total 2021
	£	£	£	£
Script Costs	299		299	341
Wardrobe	2,672		2,672	555
Properties	1,287		1,287	354
Publicity	1,807		1,807	891
Photography	-		-	140
Royalties	3,140		3,140	3,871
Set construction	2,244		2,244	822
Lighting and sound	529		529	5,932
Music and bands	574		574	-
Sundry production costs	-		-	-
	12,552		12,552	12,906
Share of support costs (see note 7)		50,374	50,374	36,606
Share of governance costs (see note 7)	-	-		1,260
	12,552	50,374	62,926	50,772
Analysis by fund				
Unrestricted funds	12,552	50,374	62,926	
	12,552	50,374	62,926	
For the year ended 31 December 2021				
Unrestricted funds	9,584	48,481		50,772
	9,584	48,481		50,772

CRITERION THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 202

7 Support costs

	Support Cost	Governance Costs	2022	2021	Basis of Allocation
	£	£	£	£	
Depreciation	13,270		13,270	16,418	Actual
Bar and coffee	14,186		14,186	4,003	Actual
Room hire	435		435	-	Actual
Box office costs	-		-	-	Actual
Hire of equipment	-		-	-	Actual
Waste disposal	570		570	1,925	Actual
Licenses	1,404		1,404	181	Actual
Rates	1,421		1,421	1,051	Actual
Light and heat	6,010		6,010	3,558	Actual
Telephone	1,889		1,889	1,993	Actual
Postage and stationery	-		-	-	Actual
Insurance	4,416		4,416	4,060	Actual
Repairs	3,053		3,053	2,455	Actual
Website expenses	1,280		1,280	500	Actual
Sundry expenses	2,165		2,165	171	Actual
Bank charges	275		275	291	Actual
Bank loan interest					Actual
Accountancy and legal	-	-	-	1,260	Actual
	50,374		50,374	37,866	
Analysed between					
Charitable activities	50,374		50,374	37,866	

8 Trustees

Trustees' remuneration and benefits

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

Trustees' expenses

During the year, the charity reimbursed expenses to the following trustees:
A Greene £1,103 in respect of scripts and production expenses (2021 - £928)
K Sowerby £1,136 in respect of development costs (2021 - £420)
C Firth £170 in respect of publicity and social activity (2021 - £0)
S Sharpe £100 in respect of set construction and maintenance (2021 - £31)
J Elves £32 in respect of social activity (2021 - £0)

These transactions were all conducted at arm's length.

CRITERION THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total	-	-

10 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2022	228,924	3,787	178,936	411,647
At 31 December 2022	228,924	3,787	178,936	411,647
Depreciation and impairment				
At 1 January 2022	32,046	3,787	114,367	150,200
Depreciation charged in the year	4,578	-	8,692	13,270
At 31 December 2022	36,624	3,787	123,059	163,470
Carrying amount				
At 31 December 2022	192,300	-	55,877	261,447
At 31 December 2021	196,878	-	64,569	261,447

11 Stocks

	2022 £	2021 £
Raw materials and consumables	2,043	2,496

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Prepayments and accrued income	-	-

CRITERION THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	<u>1,756</u>	<u>3,028</u>

14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).