

Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2023
for
KH THEATRE LIMITED

Calcutt Matthews WBZ Ltd
19 North Street
Ashford
Kent
TN24 8LF

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KH THEATRE LIMITED
CHAIR OF TRUSTEE'S REPORT
For the Year Ended 31 December 2023

This year was a significant one for the charity, with full planning permission being granted by Islington Borough Council for its new purpose-built home at 116 Upper Street in April, construction work beginning on site in June, closure of its original pub theatre home at 115 Upper Street in August, and rehearsals beginning for the opening production of the new theatre in December, ahead of the public opening set for early January 2024.

The new theatre features a flexible and accessible 200-seat main house theatre, a 50-seat cabaret space, two bars, and state-of-the-art technical and environmental facilities that allow the charity to look ahead to the next five decades with as much confidence as the King's Head Theatre's founder Dan Crawford did when he opened the pub theatre in 1970. Recognising his legacy, the trustees dedicated one of the new backstage spaces to Dan in his memory, with a neighbouring room named to commemorate Giris Rabinovitch, the visionary developer whose work over many years made the Islington Square concept a reality before his death in 2020.

The trustees and staff remain hugely grateful for the support of the Mayor of London through Round Three of his Good Growth Fund, as our key funders for the move, together with the support of our pub theatre landlords Young's, new landlords Cain International, the hugely supportive local authority Islington Borough Council and the local community, who all continue to champion the charity's decision to move premises.

Alongside the work on the capital project, the final season at the pub theatre was artistically adventurous - curated by four guest artistic directors, each bringing their unique offering to their part of the season. This, and other programming throughout the final months of the pub theatre, proved popular with audiences, with attendance rebounding notably compared to how the box office fared after the covid closure period of 2020/1. The charity's dedicated staff team continues to be led by Executive Producer and acting CEO Sofi Berenger, who as well as programming great shows at the pub theatre is working closely with the charity's capital project director Louise Chantal and the trustees on the new theatre. The team working on the new theatre has expanded considerably in 2023, with our project managers Thomas & Adamson working closely with architects Storey & Co, public welcome designers Pup Architects and contractors Albany International.

This is the eighth and final time I will be commenting on the charity's year in these accounts, with my commitment to stay on beyond my original six-year term as chair and trustee coming to a conclusion with the opening of the new theatre. It has been a great privilege to work alongside my fellow trustees, the staff of KHT, and all of the charity's invaluable partners both at the pub theatre and on the realisation of the new theatre.

Although the covid pandemic closure period was challenging both to the charity's survival and the feasibility of the new venue plans, it has been inspirational to witness the breadth and depth of support for the King's Head Theatre from all areas of the community and theatre industry during my time on the board, and I trust that these links and roots will only extend and deepen thanks to the huge potential of the new theatre to further the charity's reputation as a cutting-edge fringe theatre showcasing the best work from both new and established artists. As part of that, the newly established Angels of Angel fund supporting new shows at KHT is an essential resource that I hope will gain ongoing support to allow brilliant theatre to thrive on Upper Street.

I look forward to continuing to visit KHT as a producer and audience member for many years to come.



James Seabright, Chair of Trustees

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 December 2023. 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 (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity for the year ending 31 December 2023, which is also a director's report for the purposes of the Companies Act 2006.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice- Accounting and Reporting by Charities SORP FRS 102 (effective 1 January 2015).

This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's activities remain focused on its stated objectives.

Objectives and Activities

Our principal objectives are:

To present ambitious theatre and opera that supports, develops and values our artists, staff, audiences and a to be the most ethically and socially responsible fringe theatre in the UK known for its challenging work and support of young artists.

To commit to fighting prejudice through the work we stage, the artists and staff we work with and by producing work for minority audience groups.

To promote fair pay for all on the fringe and to create accessible routes for early career artists to stage their work.

Significant activities

Present a broad range of productions covering theatre, opera and musicals with accessible ticket prices at the King's Head Theatre in London.

Offer opportunities for regular theatre goers to see new work and revivals of work that have not been staged in the UK before.

Employ talented emerging artists and provide a supportive environment for them to develop their craft and advance their careers.

Provide training programmes for emerging directors and producers and support for their continuing professional development.

To take a leadership role in getting the industry to follow our commitment to fair wages on the fringe and only staging work which agrees to pay fair wages.

OBJECTIVES AND ACTIVITIES

Public benefit

Charitable activities - Productions

In 2023, the King's Head Theatre (KHT) closed its doors on its historical pub theatre whilst the final works on its new home, right behind the existing site in Islington Square, were completed. The pub theatre continued to operate until the 13th of August 2023, now at full programming and operational capacity having recovered since the pandemic; though ticket sales on the whole remained significantly behind its pre-2020 figures.

The pub theatre's final six months featured a Guest Artistic Directors programme, supported by Arts Council England, which provided four mid-career LGBTQ+ theatre practitioners the opportunity to gain valuable experience and training in running a theatre, curating a programme, working and nurturing their programmed artists and in the role of artistic directorship. The four guest artistic directors were Isabel Adomakoh Young, Tom Ratcliffe, Tania Azevedo and David Cumming. Isabel Adomakoh Young is an actor and drag king performer. Their season spanned theatre, cabaret, drag, comedy and other platforms with a focus on showcasing diverse talent. It featured a series of one-week runs which included Perverts by Alice McKee which returned later in the year for a full three week run.

Tom Ratcliffe's season focussed on new writing, world premiering Breeding by Barry McStay for a three-week run which opened to rave reviews and strong audience reactions. It also featured a week of work-in-progress performances by emerging LGBTQ+ writers in a new writing festival co-curated by Rikki Beadle-Blair MBE. Breeding went to be programmed in the opening season of the new King's Head Theatre, and multiple shows in the new writing festival are now touring the UK with Emmerson & Ward Productions.

Tania Azevedo's season showcased new LGBTQ+ musical theatre including viral-sensation Diary of a Gay Disaster, a song-cycle Lifeboats by Gus Gowland and fringe cult-hit Julie! The Musical. David Cumming's final season, which closed the pub theatre, looked at "Queer Futures" with Dogmouth Theatre's 1000 Ways The World Will End and How It Will Start Again which was the final production in our 53-year-old pub theatre. The pub theatre closed on 13th August 2023 with a gala celebration event featuring performances from Steven Berkoff, Mark Gatiss, Dame Janet Suzman and Linda Marlowe, hosted by David Cumming.

Outside of the Guest Artistic Director programme, the theatre co-produced Mediocre White Male starring and written by Will Close and directed by Joe von Malachowski, and also hosted a three-week run of Fringe First Winning Production And Then The Rodeo Burned Down.

Overall, in 2023, 20,694 people saw a production at KHT, compared to 24,072 people in 2022 and 44,855 in 2019. This was an average of 2,956 per month of operation, an increase of approximately 68% versus 2022 and decrease of approximately 26% versus 2019. After the pub theatre's closure, the organisation's focus was on the capital project and opening of its new home at 116 Upper St, London. After a six-month fit-out, the new theatre is set to open in January 2024.

Selected reviews include:

★★★★ "There's nothing mediocre about this dark and complex tale" - Daily Mail on Mediocre White Male

★★★★ "It's beautiful, honest and raw storytelling done terrifically well" - Theatre Weekly on Breeding

★★★★ "McArdle is funny, his comedic timing is excellent, including skillfully letting jokes sit with the audience. He makes good use of all the space in the King's Head Theatre" - Everything Theatre on The Manny

★★★★ "The play takes us on a well-planned emotional path - it feels like we're in safe hands with writing like this. It leaves the biggest emotional hit to the end." The Reviews Hub on The MP, Auntie Mandy and Me

OBJECTIVES AND ACTIVITIES

Volunteers

STRATEGIC REPORT

Achievement and performance

Charitable activities

Equity and Fair Employment

The King's Head Theatre remains committed to fair employment and has a fantastic relationship with Equity, the UK's largest trade union for the performing arts. We are proud to be one of the very few small-scale unfunded theatres in the UK to have an Equity House Agreement. This has been in place since 2011, at which point it was the first agreement of its kind. Since then, over 300 venues and production companies have signed up to the agreement, which has brought millions of pounds in wages to actors and stage managers.

Gender and Equality Policy

In 2018 the King's Head Theatre implemented a Gender and Equality Policy, furthering our aim to lead the way in making equitable fringe theatre. With immediate effect, we committed to working annually with 50% non-male artists and creatives, and to offer at least 50 hours a year to mentoring and helping emerging companies and championing ethical employment. As the sector continues to recover from the pandemic, and responds to a changing landscape, it is clear we need to re-define some of these benchmarks, and this a continuing process as we also move into the new venue.

Audiences

Demographic data for 2023 indicates 8% of audience figures represented patrons under the age of 30. This is an increase on 2022, with audiences under 30 making up 7% of total audiences. Of this, 14% of audiences were between the ages of 26-35 in 2022 - making up the largest age demographic in recorded data - but in 2023, this shot up to 22%. Patrons over the age of 66 made up 5.9% of audiences for the year in 2022, falling to 3.2% for 2023 which suggests a movement in our audience reach towards younger audiences in line with the variance in data towards those aged 26-35 in 2023.

In 2023, 6.1% of audience members were based in our immediate vicinity N1, versus 6% in 2022 - however the total N1 attendance figure for 2022 was 1455 versus 1258 in 2023, bearing in mind 1,162 postcode zones were recorded for 2022 against 1,159 postcode zones in 2023. Whilst unique postcode zone figures remain fairly consistent, data indicates that our audience reach has extended beyond N1 which presents further opportunities for the venue's outreach.

Fundraising activities

Through our Support The Kings Head fund, we have seen a drop in average donations per customer from £25.73 in 2022 to £24.81 in 2023. It is important to note that the difference is widened by the overall drop in total audience numbers by 16% from 2022 to 2023. This remains considerably lower than pre-pandemic levels. However, excluding any membership schemes, donations continue to represent 6% of total income through Spektrix year on year. Bucket donations for 2023 equalled £7,282.74.

Staff Team

In 2023 the artistic programme was overseen by Executive Producer (Acting CEO) Sofi Berenger and the Guest Artistic Director. Unfortunately, a number of staff roles were made redundant following the closure of the pub theatre and a restructure in anticipation of the opening of the new theatre in Islington Square.

STRATEGIC REPORT

Financial review

Financial position

Income

The total unrestricted income earned for the period was £516,946.

The total restricted income earned for the period in relation to the capital project was £1,245,000.

Voluntary Income

We received £152,171 in donations.

Theatre and Production Income

We received £276,884 from ticket sales and associated booking fees.

Cost of Charitable Activities

The total operational expenditure for the period was £469,594.

Investment policy and objectives

The trustees, having regard to the liquidity requirements of operating the theatre, have kept available funds in an interest-bearing deposit account.

Reserves policy

At 31st December 2023 the charity had unrestricted reserves of £253,380 (2022 £197,152) and restricted reserves of £1,429,665 (2022 £195,415) giving a total reserves balance of £1,683,045 (2022 £392,567).

The company's reserves policy indicates that there should be three months' worth of operation expenditure of unrestricted reserves on the balance sheet and this criterion is met at 31 December 2023. There are no concerns regarding the charity's ability to continue to operate.

Financial and risk management objectives and policies

The Trustees continue to review the major risks to which the Charity is exposed and are establishing systems to mitigate any risks not already covered by the Charity's existing systems and risk management strategies and controls.

Particular current key risks include:

- Vulnerability to drops in generated and voluntary income. The charity is especially vulnerable to this in this period when our reserves are not yet at the level the trustees have deemed desirable.
- Changes in the political climate, cultural policies and economic health of the country that may have a negative impact on KH Theatre Limited and the arts organisations, artists, audiences, and participants that it works with.
- Future departures of key members of staff, a risk which is monitored.
- Competitor organisations entering our market space.
- Theatre companies and venues are under threat in terms of reduced income from Arts Council England, local authorities, other funders, and audiences, potentially resulting in less income or increased contra costs for the company.

The Trustees regularly monitor these risks, their consequences, and appropriate ways to respond. The Trustees note that a key element in the management of financial risk is the setting of a reserves policy and its regular review by the Trustees.

STRATEGIC REPORT

Future plans

As the theatre prepares to open its new venue in Islington Square - featuring a 200 seat auditorium, 50 seat cabaret venue, multiple bars and office space - the theatre will go into a period of stabilising the new operational model, rebuilding staff teams and a look towards future business planning for the organisation in its new home. With over double the capacity in its new main auditorium the organisation will need to react accordingly to the new commercial pressures and scales of the work.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Anti-Racism Commitment

The King's Head Theatre has always fostered diversity and inclusion, and now, more than ever, we stand with the Black Lives Matter movement. The King's Head Theatre must be a home for everyone to feel welcome to tell their stories and for us collectively, to change our world for the better. To all our artists, audiences, staff and community across the world, know that we will not tolerate racism in any form. We will reflect that in everything we do. And while our doors may currently be shut, we commit anew to reflecting and protecting our exceptional and diverse society. Today and always, we stand with our Black colleagues and with our community as we fight for a more equal world.

Governing Document

KH Theatre Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 24th September 2014. The current members of the company are the Trustees. The liability of the members of the company is limited by guarantee. In the event of the company being wound up during the period of membership or within the year following, members are required to contribute an amount not exceeding £1.

There were 9 members as at 31.12.2023. The Trustees did not receive any benefits in the year.

Recruitment and appointment of new trustees

Appointment of Trustees

Any Trustee is entitled to nominate people for board membership and names go forward to be approved by the Board of Trustees. The Trustees represent a core of specialist skills, including but not limited to arts administration, programming and producing, international law, technical theatre production and HR. An essential requirement is a passion for theatre generally and the work of KH Theatre Limited particularly, and a desire to increase access to theatre and audience diversity.

Organisational structure

The Board of Trustees oversees and is responsible for the administration of the company. The board meets at least four times during the year. Senior staff are appointed by the Trustees with delegated authority to manage day to day operations of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Potential new board members are given the opportunity to meet the Chair and a senior staff member before being invited to meet the full Board of Trustees and observe a board meeting.

Key management remuneration

The Trustees consider the Board of Trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09187162 (England and Wales)

Registered Charity number

1161483

Registered office

115 Upper Street
London
N1 1QN

Trustees

M L Lauder (resigned 28.3.23)
J A R Seabright
M Waiting
R J Williamson
K Farrell
A Porter
M Hedges
H Williamson (appointed 18.4.23)
K Mullan (appointed 18.4.23)
R Khan (appointed 4.12.23)

Auditors

Calcutt Matthews WBZ Ltd
19 North Street
Ashford
Kent
TN24 8LF

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

In so far as the trustees are aware:

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

AUDITORS

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 14/06/2024 and signed on the board's behalf by:



.....
Trustee

Opinion

We have audited the financial statements of KH Theatre Limited (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements;
or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Nickel Hine

Xeinadin Audit Limited

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

19 North Street

Ashford

Kent

TN24 8LF

Date: 15/6/2024.

Statement of Financial Activities
for the Year Ended 31 December 2023

		Unrestricted fund £	Restricted fund £	31.12.23 Total funds £	31.12.22 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	152,172	-	152,172	78,124
Charitable activities					
Encouragement of the Arts	4	360,894	1,245,000	1,605,894	334,032
Investment income	3	<u>3,881</u>	<u>-</u>	<u>3,881</u>	<u>1,932</u>
Total		<u>516,947</u>	<u>1,245,000</u>	<u>1,761,947</u>	<u>414,088</u>
EXPENDITURE ON					
Raising funds	5	1,691	-	1,691	3,044
Charitable activities					
Encouragement of the Arts	6	<u>459,028</u>	<u>10,750</u>	<u>469,778</u>	<u>574,247</u>
Total		<u>460,719</u>	<u>10,750</u>	<u>471,469</u>	<u>577,291</u>
NET INCOME/(EXPENDITURE)		56,228	1,234,250	1,290,478	(163,203)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>197,152</u>	<u>195,415</u>	<u>392,567</u>	<u>555,770</u>
TOTAL FUNDS CARRIED FORWARD		<u>253,380</u>	<u>1,429,665</u>	<u>1,683,045</u>	<u>392,567</u>

The notes form part of these financial statements

KH THEATRE LIMITED

Balance Sheet
31 December 2023

	Notes	Unrestricted fund £	Restricted fund £	31.12.23 Total funds £	31.12.22 Total funds £
FIXED ASSETS					
Intangible assets	12	2,355	-	2,355	2,777
Tangible assets	13	<u>289,711</u>	<u>1,245,000</u>	<u>1,534,711</u>	<u>172,657</u>
		292,066	1,245,000	1,537,066	175,434
CURRENT ASSETS					
Debtors	14	166,715	44,788	211,503	237,295
Cash at bank		<u>99,079</u>	<u>139,877</u>	<u>238,956</u>	<u>216,219</u>
		265,794	184,665	450,459	453,514
CREDITORS					
Amounts falling due within one year	15	<u>(304,480)</u>	<u>-</u>	<u>(304,480)</u>	<u>(236,381)</u>
NET CURRENT ASSETS		<u>(38,686)</u>	<u>184,665</u>	<u>145,979</u>	<u>217,133</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>253,380</u>	<u>1,429,665</u>	<u>1,683,045</u>	<u>392,567</u>
NET ASSETS		<u>253,380</u>	<u>1,429,665</u>	<u>1,683,045</u>	<u>392,567</u>
FUNDS	16				
Unrestricted funds				253,380	197,152
Restricted funds				<u>1,429,665</u>	<u>195,415</u>
TOTAL FUNDS				<u>1,683,045</u>	<u>392,567</u>

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 audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

14/06/2024

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



.....
Trustee

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 31 December 2023

	Notes	31.12.23 £	31.12.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,395,947</u>	<u>233,906</u>
Net cash provided by operating activities		<u>1,395,947</u>	<u>233,906</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,377,091)	(102,045)
Interest received		<u>3,881</u>	<u>1,932</u>
Net cash used in investing activities		<u>(1,373,210)</u>	<u>(100,113)</u>
Change in cash and cash equivalents in the reporting period			
		22,737	133,793
Cash and cash equivalents at the beginning of the reporting period		<u>216,219</u>	<u>82,426</u>
Cash and cash equivalents at the end of the reporting period		<u>238,956</u>	<u>216,219</u>

The notes form part of these financial statements

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.23 £	31.12.22 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	1,290,478	(163,203)
Adjustments for:		
Depreciation charges	13,562	11,972
Loss on disposal of fixed assets	1,899	-
Interest received	(3,881)	(1,932)
	(2)	-
(Increase)/decrease in debtors	(23,425)	260,892
Increase in creditors	117,316	126,177
Net cash provided by operations	<u>1,395,947</u>	<u>233,906</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash at bank and in hand	<u>216,219</u>	<u>22,737</u>	<u>238,956</u>
	<u>216,219</u>	<u>22,737</u>	<u>238,956</u>
Total	<u>216,219</u>	<u>22,737</u>	<u>238,956</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES**Basis of preparing the financial statements**

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 2019)', 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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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.

Tangible fixed assets

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

Freehold property	- not provided
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

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

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

2. DONATIONS AND LEGACIES

	31.12.23	31.12.22
	£	£
Donations	149,071	65,771
Visiting Productions Rental In come	2,651	6,553
Membership and Sponsorship	450	5,800
	<u>152,172</u>	<u>78,124</u>

3. INVESTMENT INCOME

	31.12.23	31.12.22
	£	£
Interest receivable - trading	<u>3,881</u>	<u>1,932</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.23	31.12.22
		£	£
Ticket Sales	Encouragement of the Arts	251,228	295,871
Friends Scheme	Encouragement of the Arts	425	450
Merchandise	Encouragement of the Arts	1,302	6,746
Booking Fees	Encouragement of the Arts	25,656	19,115
Grants	Encouragement of the Arts	79,715	10,000
Gift Aid	Encouragement of the Arts	-	1,850
Other Income	Encouragement of the Arts	2,568	-
Capital Grants	Encouragement of the Arts	1,245,000	-
		<u>1,605,894</u>	<u>334,032</u>

4. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	31.12.23 £	31.12.22 £
General	58,500	5,000
Equitable Charitable Trust	-	5,000
Arts Council England	<u>21,215</u>	<u>-</u>
	<u>79,715</u>	<u>10,000</u>

5. RAISING FUNDS**Other trading activities**

	31.12.23 £	31.12.22 £
Purchases	<u>1,691</u>	<u>3,044</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Encouragement of the Arts	<u>123,097</u>	<u>346,681</u>	<u>469,778</u>

7. SUPPORT COSTS

	Management £	Finance £	Information technology £
Encouragement of the Arts	<u>263,166</u>	<u>65,905</u>	<u>1,308</u>
	Human resources £	Other £	Totals £
Encouragement of the Arts	<u>310</u>	<u>15,992</u>	<u>346,681</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.23 £	31.12.22 £
Depreciation - owned assets	13,139	11,549
Other operating leases	37,105	37,200
Deficit on disposal of fixed assets	1,899	-
Development costs amortisation	<u>422</u>	<u>423</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

10. STAFF COSTS

	31.12.23	31.12.22
	£	£
Wages and salaries	175,816	230,629
Social security costs	<u>9,984</u>	<u>13,832</u>
	<u>185,800</u>	<u>244,461</u>

The average monthly number of employees during the year was as follows:

	31.12.23	31.12.22
	<u>7</u>	<u>11</u>
Staff		

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	78,124	-	78,124
Charitable activities			
Encouragement of the Arts	334,032	-	334,032
Investment income	<u>1,932</u>	<u>-</u>	<u>1,932</u>
Total	<u>414,088</u>	<u>-</u>	<u>414,088</u>
EXPENDITURE ON			
Raising funds	3,044	-	3,044
Charitable activities			
Encouragement of the Arts	<u>569,747</u>	<u>4,500</u>	<u>574,247</u>
Total	<u>572,791</u>	<u>4,500</u>	<u>577,291</u>
NET INCOME/(EXPENDITURE)	(158,703)	(4,500)	(163,203)
RECONCILIATION OF FUNDS			
Total funds brought forward	355,855	199,915	555,770

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD	<u>197,152</u>	<u>195,415</u>	<u>392,567</u>

12. INTANGIBLE FIXED ASSETS

	Development costs £
COST	
At 1 January 2023 and 31 December 2023	<u>4,225</u>
AMORTISATION	
At 1 January 2023	1,448
Charge for year	<u>422</u>
At 31 December 2023	<u>1,870</u>
NET BOOK VALUE	
At 31 December 2023	<u>2,355</u>
At 31 December 2022	<u>2,777</u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2023	193,578	22,903	5,522	7,501	229,504
Additions	1,358,275	-	18,816	-	1,377,091
Disposals	-	(8,022)	(4,755)	(2,066)	(14,843)
At 31 December 2023	<u>1,551,853</u>	<u>14,881</u>	<u>19,583</u>	<u>5,435</u>	<u>1,591,752</u>
DEPRECIATION					
At 1 January 2023	31,991	15,291	4,573	4,992	56,847
Charge for year	9,679	1,755	1,201	504	13,139
Eliminated on disposal	-	(7,432)	(3,943)	(1,570)	(12,945)
At 31 December 2023	<u>41,670</u>	<u>9,614</u>	<u>1,831</u>	<u>3,926</u>	<u>57,041</u>
NET BOOK VALUE					
At 31 December 2023	<u>1,510,183</u>	<u>5,267</u>	<u>17,752</u>	<u>1,509</u>	<u>1,534,711</u>
At 31 December 2022	<u>161,587</u>	<u>7,612</u>	<u>949</u>	<u>2,509</u>	<u>172,657</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23 £	31.12.22 £
Trade debtors	12,105	8,382
Amounts owed by group undertakings	45,859	188,867
Other debtors	35,060	36,454
VAT	117,694	2,684
Prepayments	<u>785</u>	<u>908</u>
	<u>211,503</u>	<u>237,295</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.22
	£	£
Trade creditors	137,207	99,907
Amounts owed to group undertakings	12,264	61,481
Social security and other taxes	5,025	3,483
Other creditors	144,634	65,018
Accruals and deferred income	<u>5,350</u>	<u>6,492</u>
	<u>304,480</u>	<u>236,381</u>

16. MOVEMENT IN FUNDS

	At 1.1.23	Net movement in funds	At 31.12.23
	£	£	£
Unrestricted funds			
General fund	197,152	56,228	253,380
Restricted funds			
Capital Project	195,415	1,234,250	1,429,665
	<u>392,567</u>	<u>1,290,478</u>	<u>1,683,045</u>
TOTAL FUNDS			

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	516,947	(460,719)	56,228
Restricted funds			
Capital Project	1,245,000	(10,750)	1,234,250
	<u>1,761,947</u>	<u>(471,469)</u>	<u>1,290,478</u>
TOTAL FUNDS			

16. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	355,855	(158,703)	197,152
Restricted funds			
Capital Project	199,915	(4,500)	195,415
TOTAL FUNDS	<u>555,770</u>	<u>(163,203)</u>	<u>392,567</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	414,088	(572,791)	(158,703)
Restricted funds			
Capital Project	-	(4,500)	(4,500)
TOTAL FUNDS	<u>414,088</u>	<u>(577,291)</u>	<u>(163,203)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	355,855	(102,475)	253,380
Restricted funds			
Capital Project	199,915	1,229,750	1,429,665
TOTAL FUNDS	<u>555,770</u>	<u>1,127,275</u>	<u>1,683,045</u>

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	931,035	(1,033,510)	(102,475)
Restricted funds			
Capital Project	1,245,000	(15,250)	1,229,750
TOTAL FUNDS	<u>2,176,035</u>	<u>(1,048,760)</u>	<u>1,127,275</u>

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.