

Charity Registration No. 1165923

Company Registration No. 09363242 (England and Wales)

BASELESS FABRIC THEATRE LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

BASELESS FABRIC THEATRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Francis Pindar Mark Pharaoh Arnold Pindar Rachel Barnett-Jones Sophie Hamlet
Secretary	Francis Pindar
Charity number	1165923
Company number	09363242
Registered office	Wimbletech (c/o Ref Library) 35 Wimbledon Hill Road Wimbledon London SW19 7NB
Independent examiner	Kingston Burrowes Accountants 450 London Road North Cheam Surrey SM3 8JB

BASELESS FABRIC THEATRE LIMITED

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BASELESS FABRIC THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, 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)

Objectives and activities

Our formal objective (Articles of Association):

The Charity is established to promote and advance education through the arts for the public benefit and to promote and advance the appreciation and understanding of the arts for the public benefit, with particular but not exclusive reference to the dramatic arts.

The main achievements & performance of the Charity during the period

As for many organisations 2020 was an extremely difficult year due to the Covid 19 pandemic. However we were in a more fortunate position than many arts charities during the pandemic in that we do not rely on a high proportion of earned income and as we are not in receipt of core funding we have no employees to furlough. As our planned activities could not take place, we have only limited achievements this year due to the pandemic. Most of our planned activities for 2020 had to be put on hold until theatres, schools and organisations for the elderly are reopened. We are extremely grateful to our funders that have been understanding and flexible about the use and timing of their grants.

Unlike many arts charities, we decided not to move activities online as we felt that that did not match either with the skills of the lead artists, or the aims of the organisation. We want to bring people together for shared community events which allow us to reach audiences who stumble across our work in public spaces. This is impossible for people online in their own homes. As such, we have used time this year to continue to fundraise for our future activities when live in-person events can again take place and have refocused our energies on how we might reach non-traditional theatre audiences particularly those adversely affected by the pandemic.

Through this discussion we thought that we would be able to contribute positively to the wellbeing of people in care homes who have particularly suffered during the pandemic by using our skills in presenting outdoor opera and adapting our opera sessions for organisations for the elderly. Hence, the main body of our work through this time has been our successful Outdoor Opera for Carehomes programme in our local area.

Care Home Concerts

At the end of September 2020 we provided 7 outdoor classical music concerts to care homes across the boroughs of Merton and Wandsworth. The concerts reached 185 beneficiaries – comprising 135 residents & 50 staff. Originally we had booked to perform at 8 care homes but unfortunately one had to pull out a couple of days before due to changes in government guidance regarding Covid 19.

BASELESS FABRIC THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Due to Covid 19 restrictions none of the care homes have had any activities provided by outside professional artists since March 2020 and so were delighted to be offered this opportunity. We ensured social distancing was in place at all times, bought additional hygiene equipment for the performers in rehearsal and performance, and worked with each care home in advance to work out where it was best for the residents and performers to be located during the concert and other logistics. At all of these care homes the residents and staff stayed inside the care home in a lounge or similar, and our performers performed outside in the garden or carpark or in a conservatory. This meant that sometimes the residents could not always clearly see our performers but they could always hear them. We also invested in a microphone and used our own portable amp so that the performers could be heard speaking (although this was not needed for the singing and keyboard). Due to the time of year, we also invested in a gazebo to cover the performers in case of rain and high winds which proved extremely useful, although we were generally very lucky with the weather!

The concerts took place at:

Merton

- St Teresa's Home for the Elderly, 12 Lansdowne Rd, Wimbledon SW20 8AN
- Southpark Residential Home, 193 South Park Road, Wimbledon SW19 8RY
- Barons Lodge, 24 Baron Grove, Mitcham, CR4 4EH
- Lee House, Abbeyfield, 2 Lancaster Ave, Wimbledon Village, SW19 5DE
- Kelstone Court, 153 Camborne Road, Morden, SM4 4JN
- Manor House Carehome, London Rd, Morden, SM4 5QT

Wandsworth

- Signature at Wimbledon, 6 Victoria Drive, SW19 6AB

We have not provided activities to care homes previously as normally our sessions for elderly groups take place in organisations for the elderly already running activities, such as Wimbledon Guild and the Commonsides Trust. So developing relationships with care homes was something new for us. We ended up providing more concerts in Merton rather than Wandsworth due to our longer standing relationship with the local council. We're very pleased to have established these new relationships with care homes. We had extremely positive feedback from all of them and we are looking forward to making more activities happen in care homes in the future.

We were thrilled that singer Claire Wild (Fiordiligi in our *Così fan tutte* in 2017 and Rosalinde in our *Die Fledermaus* in 2019) and pianist Elspeth Wilkes were able to perform for us for these concerts. Artistic Director Joanna Turner produced the project, worked with the performers in a short rehearsal and organised the setup of the concerts each day, including introducing the performers and some of the pieces performed. We are delighted that this project allowed us to provide employment to these freelance workers during the Covid 19 crisis that has had such a negative impact on the income of those in the arts.

We performed pieces from a mixture of opera and musical theatre with short introductions about the piece, the character that was singing and what they're singing about. Pieces chosen included 'Perpetua' (from Baseless Fabric's modern English version of *Così fan tutte*), 'Je dis' (from Bizet's *Carmen* in French), 'O mio babbino caro' (Puccini's extremely famous aria from *Gianni Schicchi* in Italian), 'Summertime' (from *Porgy & Bess*), 'I feel pretty' and 'Summertime' (from *West Side Story*) and 'I could have danced all night' (from *My Fair Lady*). We felt this mix of classical and musical theatre, the well known and perhaps less well known, upbeat and more pensive provided a good mix for our concerts and was received very positively.

BASELESS FABRIC THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Outputs

- 185 beneficiaries reached at 7 care homes
- This included 135 residents & 50 staff
- Provided paid work to 3 freelance arts professionals

Outcomes

- Increased the mental wellbeing, health and happiness of residents and staff at 7 care homes.
- 100% of residents and staff reported an improvement in mental wellbeing from our performance and 97% want us to come back.
- Though the residents and staff are already in the same environment, our concerts also reduce isolation and improve community cohesion by providing an enjoyable shared experience for the residents and staff to experience as a group, and to discuss and sing afterwards.

Reactions

We had lovely reactions from all of the care homes with comments including:

"A huge THANK YOU to you and the team for a great performance 29-09-2020. The residents and staff were enthralled and loved it immensely. The residents spoke of the performance for many days later - they were all very happy with smiley faces. Personally I can't thank you guys enough. THANK YOU!"
(Southpark Residential)

"Just to say thank you very much to the performers this morning. It was a fantastic event and as Father Michael said "very uplifting". No better praise than that. Please pass on my thanks to all who made this possible and to yourself Joanna for organising. It was such a nice thing for our staff who have worked tirelessly over the last six months and for our residents who have endured so much change. It was truly wonderful!! Good luck with the rest of the concerts. Thank you from the bottom of our hearts."
(St Teresa's Home for the Elderly)

"We were so happy and delighted to welcome Baseless Fabric to Lee House who entertained our ladies on a cold October morning. In this present climate it was the perfect tonic for our ladies. The singing was sensational and the sound of the Soprano voice was so beautiful. It was such a pleasure to see our Residents enjoying songs from musicals as well as operatic songs. We would be delighted to welcome back Baseless Fabric to Lee House, as it was a pleasure to be entertained by true professionals." (Lee House, Abbeyfield)

Carmen Street Opera

Meanwhile, we have sadly had to postpone most of the work for *Carmen* due to Covid and now aim to provide our schools engagement work, and work with the elderly over 2021 and 2022, with the final professional performances taking place during summer 2022 (subject to other fundraising). This is all of course subject to how the Covid 19 situation develops.

However, the creative adaptation of Bizet's opera into a modern English version for 4 characters and 3 instrumentalists, suitable for performances of about one hour along the high street, has been able to start this year. This will again be re-imagined by composer Leo Geyer and Artistic Director/librettist Joanna Turner following their acclaimed collaborations on *Die Fledermaus* and *Così fan Tutte*. The aim is now to work towards a Research & Development period in 2021.

BASELESS FABRIC THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Die Fledermaus Arcola Revival and Care Home Performances

Following on from the success of the care home concerts, we want to provide care homes with their own full performance of our acclaimed *Die Fledermaus* in their garden or car park and were thrilled to be awarded a grant from the Postcode Community Trust to do this. We aim that these performances will take place in 2021 but as this is a bigger project than the concerts we will need to wait until the Covid situation is clearer.

Our planned revival of *Die Fledermaus* performances for the Arcola's Grimeborn Festival was meanwhile postponed until summer 2021 as the theatre remains closed.

Review of Policies

During the year the Trustees revised the following policies particularly in light of Covid:

- Child & Vulnerable Adult Protection Policy
- Complaints Policy
- Equal Opportunities Policy
- Privacy Policy
- Volunteers Policy
- Conflicts of Interest Policy
- Health & Safety Policy

Financial Review

The current year has been challenging as a result of the impact of the global pandemic on the theatre industry. As lockdown restrictions remained in place for the majority of the year, the number of projects planned for the year were either cancelled or postponed, although this has not had too adverse an impact upon the financial performance for the year, with a number of projects being funded and started during the financial year.

Whilst total income including donations, ticket sales, grants and theatre tax relief has decreased from £61,074 to £50,333 (a decrease of 17.6%), the majority of the income received in the year related to the funding for various projects such as the care home performances and the beginning of the R&D stage for *Carmen*.

Given the restrictions placed on activity in the year, costs such as artists' fees (down to £5,450 from £45,287) and similar expenses have seen a dramatic fall. The overall total expenses for the year have decreased by £44,785 (81.0%) year on year, which has contributed to a surplus of £39,820 (2019: £5,776).

Whilst this increased surplus for the year has led to an improved cash position of £61,836 (2019: £22,017) at the year end, the majority of these funds have been restricted in order to further the work on projects such as *Carmen* and the revival of *Die Fledermaus*. Going forwards, the Trustees are hopeful that work on these projects can be resumed, whilst also continuing the care home performances and reviving the school workshops.

After due consideration of the current financial position and the performance for the year, and the ongoing nature of the global pandemic and its effects on business, the Trustees have concluded that the Charity continues to remain a going concern and therefore the financial statements have been prepared on this basis.

BASELESS FABRIC THEATRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Key Partners

Our ongoing key partners include the following organisations. While we have not been able to partner with them during 2020, conversations remain ongoing for our future projects:

- Jigsaw4u
- Merton Music Foundation
- Wandsworth Music Service
- Lantern Arts Centre
- Merton Arts Space, Mitcham Library
- Merton & Wandsworth schools
- Merton & Wandsworth businesses including supermarkets, pubs, libraries and shops
- Arcola Theatre

Funders

The work of Baseless Fabric Theatre would not have been possible without the support from our funders. We gratefully acknowledge the contributions made by:

- Wimbledon Foundation
- Arts Council England
- Merton Giving
- Sylvia Waddilove Foundation

And our grants from the following funders that have been postponed until 2021 -

- Merton Council
- Samuel Gardner Memorial Trust
- The Humphrey Richardson Taylor Charitable Trust
- Cockayne Grants for the Arts
- Unity Theatre Trust
- Postcode Community Trust
- Wandsworth Council

Structure, governance and management

The charity is a company limited by guarantee. The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Francis Pindar
Mark Pharaoh
Arnold Pindar
Rachel Bamett-Jones
Sophie Hamlet

They are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

BASELESS FABRIC THEATRE LIMITED

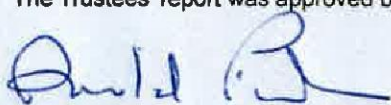
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Arnold Pindar

Chairman

Dated: 11 September 2021

BASELESS FABRIC THEATRE LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF BASELESS FABRIC THEATRE LIMITED

I report to the Trustees on my examination of the financial statements of Baseless Fabric Theatre Limited (the Charity) for the year ended 31 December 2020.

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).

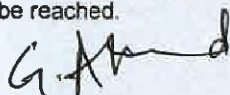
Having satisfied myself that the financial statements of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's financial statements carried out under section 145 of the Charities Act 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.



Gouher Ahmad, ACCA
Kingston Burrowes Accountants

450 London Road
North Cheam
Surrey
SM3 8JB

Dated: 11 September 2021

BASELESS FABRIC THEATRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<u>Income and endowments from:</u>					
Donations and legacies	4	1,618	-	1,618	300
Charitable activities	3	-	48,715	48,715	54,215
Other income	5	-	-	-	6,559
Total income		1,618	48,715	50,333	61,074
<u>Expenditure on:</u>					
Charitable activities	8	3,276	7,237	10,513	55,298
Net (expenditure)/income for the year/ Net movement in funds		(1,658)	41,478	39,820	5,776
Fund balances at 1 January 2020		13,054	8,962	22,016	16,241
Fund balances at 31 December 2020		11,396	50,440	61,836	22,017

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

All income and expenditure derive from continuing activities.

Included within Other income is £nil (2019 - £6,559) of Theatre Tax Relief claim, all of which is unrestricted.

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

BASELESS FABRIC THEATRE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	9		102		249
Current assets					
Debtors	10	-		6,559	
Cash at bank and in hand		61,883		15,234	
		<u>61,883</u>		<u>21,793</u>	
Creditors: amounts falling due within one year	12	<u>(149)</u>		<u>(25)</u>	
Net current assets			61,734		21,768
Total assets less current liabilities			<u>61,836</u>		<u>22,017</u>
Income funds					
Restricted funds	13		50,440		8,962
Unrestricted funds			11,396		13,055
			<u>61,836</u>		<u>22,017</u>

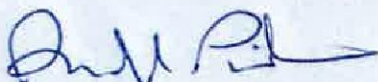
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The 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 11 September 2021



Arnold Pindar
Chairman

Company Registration No. 09363242

BASELESS FABRIC THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Baseless Fabric Theatre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Wimbletech (c/o Ref Library), 35 Wimbledon Hill Road, Wimbledon, London, SW19 7NB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, 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 second edition of the SORP for charities applying FRS 102 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 financial statements, 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 financial statements.

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.

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.

Ticket and Programme sales are recognised at the time that the related event has occurred.

BASELESS FABRIC THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Costs are recognised when they are payable and are allocated to the charitable activity to which they relate.

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:

Computer equipment	33% straight line basis
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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 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.

1.9 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.

BASELESS FABRIC THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the Charity's 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.

BASELESS FABRIC THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Charitable activities

	2020 £	2019 £
Sales within charitable activities	-	2,268
Project related grants	48,715	51,947
	<u>48,715</u>	<u>54,215</u>
Analysis by fund		
Unrestricted funds	-	2,268
Restricted funds	48,715	51,947
	<u>48,715</u>	<u>51,947</u>
For the year ended 31 December 2019		
Unrestricted funds	2,268	
Restricted funds	51,947	
	<u>54,215</u>	
Project related grants		
Arts Council	13,420	9,947
The Humphrey Richardson Taylor Charitable Trust	-	2,500
Wimbledon Foundation	15,000	31,000
London Borough of Wandsworth	3,655	-
London Borough of Merton	-	1,500
Cockayne Grants for the Arts - London Community Foundation	-	5,000
Samuel Gardner Memorial Trust	-	2,000
Unity Theatre Trust	500	-
Sylvia Waddilove Foundation	1,000	-
Merton Giving	1,858	-
Postcode Community Trust	8,282	-
Three Monkeys Trust	5,000	-
	<u>48,715</u>	<u>51,947</u>

BASELESS FABRIC THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Donations and legacies

	Unrestricted funds	Total
	2020	2019
	£	£
Donations and gifts	1,618	300

5 Other income

	Unrestricted funds	Total
	2020	2019
	£	£
Theatre Tax Relief claimed	-	6,559

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but 1 of them was paid a total of £3,050 for project fees (2019- 1 was reimbursed £6,223). The Artistic Director does not receive a salary.

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Total	1	1

There were no employees whose annual remuneration was £60,000 or more.

BASELESS FABRIC THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Charitable activities

	Charitable Expenditure 2020 £	Charitable Expenditure 2019 £
Depreciation and impairment	148	243
Insurance	693	693
Travel	104	132
Studio Hire	1,070	2,280
Artist fees	5,450	45,287
Audit and Accountancy Fees	2,166	1,170
Bank Charges	83	83
Advertising and Marketing	-	1,812
General Expenses	719	3,573
Bad debts	-	25
Staff training	80	-
	<u>10,513</u>	<u>55,298</u>
	<u>10,513</u>	<u>55,298</u>
Analysis by fund		
Unrestricted funds	3,276	1,913
Restricted funds	7,237	53,385
	<u>10,513</u>	<u>55,298</u>
For the year ended 31 December 2019		
Unrestricted funds	1,913	
Restricted funds	53,385	
	<u>55,298</u>	

BASELESS FABRIC THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2020	726
At 31 December 2020	726
Depreciation and impairment	
At 1 January 2020	477
Depreciation charged in the year	147
At 31 December 2020	624
Carrying amount	
At 31 December 2020	102
At 31 December 2019	249

10 Debtors

	2020 £	2019 £
Amounts falling due after more than one year:		
Prepayments and accrued income	-	6,559

11 Loans and overdrafts

	2020 £	2019 £
Directors' loans	25	25
Payable within one year	25	25

An entity shall disclose information that enables users of its financial statements to evaluate the significance of financial instruments for its financial position and performance. For example, for long term debt such information would normally include the terms and conditions of the debt instrument (such as interest rate, maturity, repayment schedule, and restrictions that the debt instrument imposes on the entity).

BASELESS FABRIC THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Borrowings	25	25
Trade creditors	124	-
	<u>149</u>	<u>25</u>

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020 £	Movement in funds		Balance at 31 December 2020 £
		Incoming resources £	Resources expended £	
Arts Council	-	13,420	(1,990)	11,430
London Borough of Merton	1,500	-	-	1,500
Cockayne Grants for the Arts - London Community Foundation	2,962	-	(1,000)	1,962
Samuel Gardner Memorial Trust	2,000	-	-	2,000
The Humphrey Richard Taylor Charitable Trust	2,500	-	(1,000)	1,500
Unity Theatre Trust	-	500	-	500
London Borough of Wandsworth	-	3,655	(587)	3,068
Sylvia Waddilove Foundation	-	1,000	(1,000)	-
Merton Giving	-	1,858	(1,580)	278
Wimbledon Foundation	-	15,000	(80)	14,920
Postcode Community Trust	-	8,282	-	8,282
Three Monkeys Trust	-	5,000	-	5,000
	<u>8,962</u>	<u>48,715</u>	<u>(7,237)</u>	<u>50,440</u>

BASELESS FABRIC THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Analysis of net assets between funds

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:				
Tangible assets	102	-	102	249
Current assets/(liabilities)	11,294	50,440	61,734	21,768
	<u>11,396</u>	<u>50,440</u>	<u>61,836</u>	<u>22,017</u>

Nature & Purpose of Restricted Funds

Arts Council – Research & Development for Production & associated Community Outreach for Carmen
 London Borough of Merton – Production & Community Outreach for Carmen
 Cockayne Grants for the Arts – London Community Foundation – Production for Die Fledermaus
 Samuel Gardner Memorial Trust – Production for Carmen
 Humphrey Richardson Taylor Charitable Trust - Production for Carmen & Die Fledermaus
 Unity Theatre Trust – Production for Die Fledermaus
 London Borough of Wandsworth – Research & Development for Production & associated Community Outreach for Carmen
 Sylvia Waddilove Foundation – Carehome Concerts
 Merton Giving – Carehome Concerts
 Wimbledon Foundation – Carehome Concerts, Carmen Community Outreach & Organisational Development
 Postcode Community Trust – Die Fledermaus for Carehomes
 Three Monkeys Trust – Carmen Community Outreach

15 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).