

Charity registration number 1166152 (England and Wales)

Company registration number 03293892

THEATRICAL EDUCATIONAL SERVICES LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2024

THEATRICAL EDUCATIONAL SERVICES LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A W Jeckells A Chevannes S Mehmet	(Appointed 21 March 2024)
Secretary	Havercroft Nominees Limited	
Charity number (England and Wales)	1166152	
Company number	03293892	
Registered office	83 Borough Road Southwark London SE1 1DN	
Independent examiner	John Pudduck FCCA Martlet House E1, Yeoman Gate Yeoman Way Worthing West Sussex BN13 3QZ	

THEATRICAL EDUCATIONAL SERVICES LIMITED

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THEATRICAL EDUCATIONAL SERVICES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE PERIOD ENDED 31 AUGUST 2024

The Trustees present their report and independently examined financial statements for the period from 1 January 2024 to 31 August 2024.

Reference and administrative information set out on page one forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by 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). For the period ending 31 August 2024, the company was entitled to exemption from audit under section 477 of the companies act relating to small companies.

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 constitution, 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)" (effective 1 January 2019).

Objectives and activities

The Advancement of Education and training in Musical Theatre Performance; and the advancement of the arts particularly but not exclusively in the medium of musical theatre.

Public Benefit

The Trustees are aware of the Charity Commission guidance regarding public benefit, and confirm that they have complied with the duty in section 4 of the charities act 2011 to have due regard to it. They consider that the information which follows in this annual report, about the organisation's aims, activities and achievements demonstrates public benefit in relation to the delivery of the objects of the company.

Structure, governance and management

The school was established as a full time training establishment in January 1995 and incorporated as a Company Limited by Guarantee on 18 December 1996. On 30 October 2007 the company changed its name from London School of Musical Theatre Limited to Theatrical Education Services Limited, with the former name retained as a trading designation. The Company was registered as a Charity on 21 March 2016.

The trustees, who are also the directors for the purpose of company law, and who served during the period and up to the date of signature of the financial statements were:

A W Jeckells

J R Ronane

A Chevannes

S Mehmet

(Resigned 21 May 2024)

(Appointed 21 March 2024)

In accordance with the Articles of Association, a Trustee shall hold office indefinitely unless they resign, are removed or are disqualified. The Trustees have been appointed with due consideration to their background and experience, in respect to delivering the objects of the company.

Adrian Jeckells is both a Trustee and an employee of the company in the capacity of Principal. All other Trustees give their time voluntarily and receive no benefits from the charity. There must be at least three Trustees and no more than six, at any one time.

Sibel Mehmet was appointed as a trustee on 21st March 2024, and Jessica Ronane stepped down from the position on 21st May 2024.

THEATRICAL EDUCATIONAL SERVICES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2024

Meetings of the Board of Trustees

The Trustees meet at regular intervals throughout the year, depending on the importance of matters to be discussed, and such meetings are run in accordance with the Articles of Association.

Financial management

Where appropriate, systems or procedures have been established to mitigate the risk the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions, and projects. Finance management is closely monitored with a Finance Manager being employed by the charity. Accounts are regularly prepared for inspection and discussion by the Trustees upon the calling of a Board Meeting.

Key Staff

London School of Musical Theatre employs three staff to administer the course; The Principal (Full-time), Course Manager (Part-time) and Finance Manager (Part-time). All artistic/teaching staff are engaged on a freelance basis in line with their self-employed tax status. Specialist freelance theatre practitioners are also engaged for advancement of the arts, through delivery of the theatre based production, such as Stage Manager, Set Designer, Costume Designer and Sound technician.

Achievements and performance

The student cohort who had commenced their training in September 2023, completed their course in the period of this report. There were 37 graduating students in July 2024 and 29 secured agents, through the LSMT well-established placement process, whereby the organisation arranges individual auditions with a considerable number of well-regarded agents. In addition, three more graduates were placed by the Principal with an agent through industry contacts, post-graduation.

Since leaving the LSMT training many alumni have already secured high-calibre professional work: Aaliya Mai was cast in the leading role of Max in Come Alive, in London. Maise Waller joined the West End Cast of Mamma Mia - Ensemble and cover Sophie.

Five other graduates appeared in Pantomimes around the country in December 2024.

The school is able to provide training that enables access for our alumni into the profession, and the ability to deliver a high standard of performance of the required skills, once engaged in a production.

Theatre Production/Public Presentation

Consistent with the advancement of the arts object of the charity, for six weeks each year Theatrical Educational Services Limited, operates as a theatre production company.

The public are invited, through suitable marketing, to watch unique and inspiring presentations, in a well-established theatre venue.

In the period of this report, the organisation presented a unique rendition of the Stephen Sondheim piece, Sweeney Todd. The production was presented at The Bridewell Theatre, and benefited from high production values, including excellent sound and lighting design. The creative minds behind this presentation included director Graham Hubbard who had worked on Sweeney Todd in the West End and on Broadway and is particularly adept in his vision and understanding of Sondheim's most symphonic and epic show. The presentation was a reimagined version of the piece, which resulted in a high level of interest from the public, and members of the theatre industry.

The dark fascination in this gory tale brought strong public attendance figures, and acclaim from several independent reviewers:

'Many's the tales of Sweeney Todd I've attended, from a pie shop in Tooting to the luxury casting of Imelda Staunton and Michael Ball in the West End, to the gory splendour of the Châtelet in Paris, one I wish I hadn't bothered with in Reims and countless more, but none has caught the raw, visceral intensity or macabre wit of Stephen Sondheim's masterpiece better than this stunning version.' (Jeremy Chapman - Musical Theatre Review).

THEATRICAL EDUCATIONAL SERVICES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2024

Student Funding Support

There were thirty-seven students on the course ending in July 2024, and the fees were £16,750.

The Trustees understand that LSMT must operate for the public benefit, and in particular are committed to supporting those that need financial assistance in order to attend our organisation.

We were able to offer fifteen of the students grants towards fees, and in total we distributed £36,000 which included a £5,000 George Peabody Performing Arts Grant, which we distribute yearly in respect of supporting the increase in ethnic diversity, within the industry. As the course commenced in the previous accounting period only the relevant proportion of the distributions are included in these accounts as an expense.

In addition to the grants against fees provided to students directly by LSMT, many other charitable organisations gave support to our students through allocation of restricted funds given in respect of course fees. This recognition of our ability to fulfill our charitable objectives was much appreciated, and enabled some individuals to attend, who would otherwise have been unable to do so.

The charitable organisations who gave restricted fund student fee support in the period of this report, were as follows:

The Mbili Charitable Trust -	£950
The Lionel Bart Foundation -	£1,600
Southampton Music Trust -	£2,000
Wilmcote Charity -	£750
Enterprise Arts Foundation -	£1,000
The Walker Trust -	£6,000
The Andrew Lloyd Webber Foundation -	£16,750.

As the course commenced in the previous accounting period these amounts were recognised as income and expensed as charitable awards in the previous year's accounts to 31 December 2023.

In addition to the charitable organisations that gave support, an individual active in the theatre industry gave £16,750 for the full fees of a designated student, in order that they may attend.

LSMT Building

We continue to be based in the building that has fulfilled our requirements, for over thirty years.

The landlord is planning to develop the site as part of the Borough Triangle scheme. They have recently given us a Renewal Lease with a term ending on 1st August 2026, which allows some continuity and stability for the immediate future.

LSMT is planning to move to an alternate building offering long term tenure, for future delivery of our charitable objects. A change of operational premises is a serious commitment, and any site considered must properly serve the needs of the charity. We are performing due diligence on any proposed premises, that are brought to our attention.

Funding sources

The charity charges a set fee for the course it provides.

Some of these fees are paid by outside charitable bodies and trusts directly to ourselves as a grant against fees for a particular student, or directly to the student to fund attendance.

THEATRICAL EDUCATIONAL SERVICES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2024

Financial review

The charity suffered a deficit of £11,687 in the delivery period from 1 January 2024 to 31 August 2024. This compares with a deficit in respect of the previous twelve months of £63,102.

LSMT will need to return to a minimum intake of forty students yearly, in the near future.

The Trustees are committed to increasing student intake, and controlling expenditure so that the charity returns to surplus, as soon as possible. Recent adept use of online marketing, to increase awareness of the course to suited candidates has resulted in a major increase in applications and the organisation is confident of a continued stabilisation of finances.

Reserves

The Trustees have examined the charity's requirement for reserves in light of the main risks to the organisation. The intention in the future is to hold reasonable levels of reserves in the organisation to protect against unforeseen circumstances and potential risks without over retention, which would be contrary to our charitable delivery.

At the end of the accounting period to 31 August 2024 the charity does not have reserves, but with recruitment of suitable students getting stronger, a more sustainable balance sheet is projected.

Risk Management including Current Risks

The principal risk faced by the charity lies in failing to generate sufficient income and resulting surpluses to build up reserves to face any difficult times that may arise in the future.

A major requirement will be having the reserves required for the costs involved for moving to a new premises, when this occurrence becomes necessary.

The charity needs a certain number of students in order to financially meet its objectives. We continue to ensure places on our training are only offered to those who will truly benefit from a one year training. The course application rate continues to increase, and LSMT is confident of a return to pre-pandemic levels of suitable student recruitment, and the resultant income.

Plans for Future Periods

The charity plans to continue its activities to serve the community in which it operates in the forthcoming years.

The charity plans to continue stabilising and strengthening its financial health.

The organisation plans to acquire a more permanent premises to deliver its charitable objectives.

The organisation plans to continue to offer subsidised places on our course to financially disadvantaged applicants.

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

A W Jeckells

Trustee

Dated: 27 May 2025

THEATRICAL EDUCATIONAL SERVICES LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THEATRICAL EDUCATIONAL SERVICES LIMITED

I report to the trustees on my examination of the financial statements of Theatrical Educational Services Limited (the charity) for the period ended 31 August 2024.

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.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 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. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of The Association of Certified Accountants, which is one of the listed bodies.

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 Companies Act 2006.
- 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 Companies Act 2006 other than any requirement that the financial statements 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 financial statements 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 Pudduck FCCA

Martlet House
E1, Yeoman Gate
Yeoman Way
Worthing
West Sussex
BN13 3QZ
27 May 2025

THEATRICAL EDUCATIONAL SERVICES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 AUGUST 2024

		Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	Notes	£	£	£	£	£	£
Income from:							
Donations, grants and legacies	3	-	4,000	4,000	1,600	25,100	26,700
Charitable activities	4	390,154	-	390,154	545,223	-	545,223
Investments	5	687	-	687	937	-	937
Total income		<u>390,841</u>	<u>4,000</u>	<u>394,841</u>	<u>547,760</u>	<u>25,100</u>	<u>572,860</u>
Expenditure on:							
Charitable activities	7	<u>424,736</u>	<u>4,000</u>	<u>428,736</u>	<u>644,433</u>	<u>28,100</u>	<u>672,533</u>
Taxation	10	<u>(22,208)</u>	<u>-</u>	<u>(22,208)</u>	<u>(36,571)</u>	<u>-</u>	<u>(36,571)</u>
Total expenditure		<u>402,528</u>	<u>4,000</u>	<u>406,528</u>	<u>607,862</u>	<u>28,100</u>	<u>635,962</u>
Net expenditure for the period/							
Net movement in funds		(11,687)	-	(11,687)	(60,102)	(3,000)	(63,102)
Fund balances at 1 January 2024		<u>(121,868)</u>	<u>-</u>	<u>(121,868)</u>	<u>(61,766)</u>	<u>3,000</u>	<u>(58,766)</u>
Fund balances at 31 August 2024		<u>(133,555)</u>	<u>-</u>	<u>(133,555)</u>	<u>(121,868)</u>	<u>-</u>	<u>(121,868)</u>

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

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

THEATRICAL EDUCATIONAL SERVICES LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Goodwill	11		6,050		6,400
Tangible assets	12		55,808		53,032
Current assets					
Debtors	13	258,755		118,079	
Cash at bank and in hand		219,729		166,583	
		<u>478,484</u>		<u>284,662</u>	
Creditors: amounts falling due within one year	15	(665,993)		(450,906)	
Net current liabilities			(187,509)		(166,244)
Total assets less current liabilities			(125,651)		(106,812)
Creditors: amounts falling due after more than one year	16		(7,904)		(15,056)
Net liabilities			<u>(133,555)</u>		<u>(121,868)</u>
Income funds					
Unrestricted funds			(133,555)		(121,868)
			<u>(133,555)</u>		<u>(121,868)</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31 August 2024.

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 period 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 27 May 2025

A W Jeckells
Trustee

Company Registration No. 03293892

THEATRICAL EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2024

1 Accounting policies

Charity information

Theatrical Educational Services Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 83 Borough Road, Southwark, London, SE1 1DN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, 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 2019). 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. The principal accounting policies adopted are set out below.

1.2 Going concern

As shown in the balance sheet the charity has net liabilities.

The Trustees are aware of the need to ensure a higher income, through the recruitment of a suitable cohort of training recipients. The intent is to return to a minimum of forty students per year, which enables a suitable financial stability.

The audition process has been adapted to enable a more expedient process for offering a place on the course. This has been determined as an important factor, for the securing of the required cohort.

The charity has various contacts who are prepared to provide short term funding in case of cashflow difficulties during the period of recovery after the Pandemic. Two such individuals have confirmed their preparedness to provide financial support amounting to £50,000 during 2025, should it be required.

Overall the trustees are therefore confident that they can continue operating fully for at least the next 12 months and meet debts as they fall due. The trustees therefore consider that it is appropriate for the accounts to continue to be prepared on the going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors 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 Income

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.

THEATRICAL EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2024

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.

Turnover is measured at the fair value of the consideration received or receivable and is in the main derived from the annual course, from which the revenue is recognised as the courses are delivered. In the event of a school year spanning more than one accounting period course revenue is apportioned between the accounting periods by reference to costs incurred in each period.

Revenue from auditions are recognised when the auditions are incurred.

Revenue from the ticket sales of school productions are recognised when the productions are incurred.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised on an accruals basis as a liability is incurred.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill shall be considered to have a finite useful life, and shall be amortised on a systematic basis over its 20 year life.

1.7 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:

Leasehold improvements	Over lease term
Fixtures, fittings and equipment	15% reducing balance

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 the statement of financial activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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).

THEATRICAL EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

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.

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.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Accounts payable 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. Accounts payable 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.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

THEATRICAL EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2024

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.

3 Donations, grants and legacies

	Restricted funds	Unrestricted funds	Restricted funds	Total
	2024	2023	2023	2023
	£	£	£	£
Donations and gifts	4,000	1,600	25,100	26,700

4 Charitable activities

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Course fees	371,850	533,096
Audition income	410	336
Box income	14,725	7,477
Rental income	2,967	3,010
Other income	202	1,304
	<u>390,154</u>	<u>545,223</u>

THEATRICAL EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2024

5 Investments

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Other interest receivable	71	-
Bank interest receivable	616	937
	<u>687</u>	<u>937</u>

6 Employees

The average monthly number of employees during the period was:

2024 Number	2023 Number
<u>3</u>	<u>3</u>

Employment costs

	2024 £	2023 £
Wages and salaries	69,000	102,792
Social security costs	2,736	5,502
Other pension costs	-	4,064
	<u>71,736</u>	<u>112,358</u>

The number of employees whose annual remuneration was more than £60,000, on an annualised basis, was as follows:

	2024 Number	2023 Number
£70,001 to £80,000	<u>1</u>	<u>1</u>

THEATRICAL EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2024

7 Charitable activities

	Charitable activities 2024	Support costs 2024	Total 2024	Charitable activities 2023	Support costs 2023	Total 2023
	£	£	£	£	£	£
Staff costs	52,274	29,569	81,843	79,314	49,943	129,257
Depreciation	11,020	-	11,020	15,481	-	15,481
Rent, rates, and water	56,903	-	56,903	82,941	-	82,941
Trade mark licence	20,000	-	20,000	30,000	-	30,000
London School of Musical Theatre grants and charitable awards	26,200	-	26,200	65,100	-	65,100
Costs of productions	94,647	-	94,647	112,403	-	112,403
Advertising and promotion	5,497	-	5,497	13,117	-	13,117
Tutors fees	67,235	-	67,235	131,079	-	131,079
Establishment expenses	18,976	14,945	33,921	37,101	18,111	55,212
Office expenses	1,794	4,415	6,209	3,271	2,627	5,898
Travel and subsistence and outings	2,180	259	2,439	1,693	529	2,222
Miscellaneous expenses	76	155	231	-	193	193
Student maintenance grant	-	-	-	1,385	-	1,385
Cost of goods for resale	-	-	-	1,022	-	1,022
	356,802	49,343	406,145	573,907	71,403	645,310
Share of support costs (see note 9)	-	14,731	14,731	-	20,413	20,413
Share of governance costs (see note 9)	-	7,860	7,860	-	6,810	6,810
	356,802	71,934	428,736	573,907	98,626	672,533
Analysis by fund						
Unrestricted funds	352,802	71,934	424,736	545,807	98,626	644,433
Restricted funds	4,000	-	4,000	28,100	-	28,100
	356,802	71,934	428,736	573,907	98,626	672,533

8 Trustees

Mr A Jeckells was paid a salary during the 8 month period of £50,000 (Year to 31 December 2023: £71,000).

The emoluments paid to Mr Jeckells is in accordance clause 6 of the Articles of Association concerning allowed payments for reasonable and proper remuneration for services rendered to the charity as the Principal.

THEATRICAL EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2024

9 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Professional fees	13,536	-	13,536	13,322	-	13,322
Provision for bad debts	-	-	-	5,278	-	5,278
Interest paid and bank charges	1,195	-	1,195	1,813	-	1,813
Accountancy fees	-	7,860	7,860	-	6,810	6,810
	<u>14,731</u>	<u>7,860</u>	<u>22,591</u>	<u>20,413</u>	<u>6,810</u>	<u>27,223</u>
Analysed between Charitable activities	<u>14,731</u>	<u>7,860</u>	<u>22,591</u>	<u>20,413</u>	<u>6,810</u>	<u>27,223</u>

Governance costs includes a payment to the accountants of £630 (2023- £630) for the independent examination fee.

10 Taxation

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Theatre tax relief	(22,208)	(36,571)
	<u>(22,208)</u>	<u>(36,571)</u>

Theatrical Educational Services, as a registered charity, is exempt from corporation tax under Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of the Chargeable Gains Act 1992 to the extent that surpluses are applied to its charitable purposes.

The charity does however qualify for Theatre Tax Relief in respect of certain expenditure it incurs on its theatrical productions, resulting in the tax credits included in the accounts as above.

THEATRICAL EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2024

11 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2024 and 31 August 2024	40,500
Amortisation and impairment	
At 1 January 2024	34,100
Amortisation charged for the period	350
At 31 August 2024	34,450
Carrying amount	
At 31 August 2024	6,050
At 31 December 2023	6,400

12 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2024	346,449	129,121	475,570
Additions	-	13,446	13,446
At 31 August 2024	346,449	142,567	489,016
Depreciation and impairment			
At 1 January 2024	318,691	103,847	422,538
Depreciation charged in the period	7,163	3,507	10,670
At 31 August 2024	325,854	107,354	433,208
Carrying amount			
At 31 August 2024	20,595	35,213	55,808
At 31 December 2023	27,758	25,274	53,032

13 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Accounts receivable	140,196	17,881
Corporation tax recoverable	48,311	42,499
Other debtors	17,500	17,500
Prepayments and accrued income	52,748	40,199
	258,755	118,079

THEATRICAL EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2024

14 Loans and overdrafts

	2024 £	2023 £
Bank loans	18,215	24,946
Payable within one year	10,311	9,890
Payable after one year	7,904	15,056

The bank loan was obtained on 12 May 2020 under the government's Bounce Back Loan scheme in order to assist with the financial effects of the Coronavirus epidemic.

The loan is repayable in monthly instalments over a five year period commencing on the first anniversary after the loan was taken out. The interest for the first year of the loan was paid for by the government via a Business Interruption Payment. Interest charges for the charity are accruing at a rate of 2.5% per annum from 12 June 2021.

15 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	14	10,311	9,890
Other taxation and social security		1,777	2,846
Accounts payable		36,895	55,309
Accruals and deferred income		617,010	382,861
		665,993	450,906

16 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	14	7,904	15,056

17 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	-	4,064

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

THEATRICAL EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2024

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024 £	Incoming resources £	Resources expended £	At 31 August 2024 £
General funds	(121,868)	390,841	(402,528)	(133,555)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
General funds	(61,766)	547,760	(607,862)	(121,868)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

19 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Between two and five years	114,000	186,000
	<u> </u>	<u> </u>

THEATRICAL EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE PERIOD ENDED 31 AUGUST 2024*

20 Related party transactions

Transactions with related parties

During the period the charity entered into the following transactions with related parties:

The founder of the school, resigned as a Company Director on 1st January 2008, before the organisation had become a Charity (21st March 2016).

He has remained associated with the organisation, both before and after charitable status, through the pre-existing Trade Mark Licence agreement for the use of his intellectual property, and in recent years as an employee, in the role of financial controller. He was paid £4,000 as financial controller during the eight-month period of this report (£6,000 for the proceeding 12 months).

In addition was paid £20,000 in the period of this report, under the existing Trade Mark Licence agreement (£30,000 per annum). The current Trade Mark Licence has been in operation since 16th October 2015 as registered at The Intellectual Property Office, replacing a former Licence from 28th November 2007.