

Charity registration number 1179418

Company registration number 10646009 (England and Wales)

FIFTY THREE TWO
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

FIFTY THREE TWO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr L Evans
Mr T Macfarlane
Ms T Stanley
Ms J Anderson
Mr A Baron

(Appointed 1 June 2021)

Charity number

1179418

Company number

10646009

Registered office

7-9 Station Road
Hesketh Bank
Preston
Lancashire
PR4 6SN

Independent examiner

Champion TLL Limited
7-9 Station Road
Hesketh Bank
Preston
Lancashire
PR4 6SN



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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report and financial statements for the year ended 31 August 2021.

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 [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

53two have been operating in their new venue beneath Manchester Central since May 27th '21 after a successful fundraising campaign. The venue now has an arts hub café/bar and an 85 seater venue for performances, events and workshops. The charity also have a rehearsal studio as an extension of their work. Both the venue and studio are entirely accessible and their work is focussed on providing opportunities within the arts to disabled, disenfranchised and underserved creatives. A full programme of theatre events has been scheduled which will act as the vessel to allow us to share our work, the work of other companies and engage with communities and other arts groups who operate in the same way. The bar/café is already home to networking events, social events, private hires and more with the theatre arch being home to a 'pop-up' 80 seater theatre, cinema and events space – all of which have accessibility at their core.

We have also grown our outreach and education programme in schools and with youth groups across Greater Manchester and will continue to work with young creatives both at the venue and in their institutions, using the arts as a device for self-growth and development.

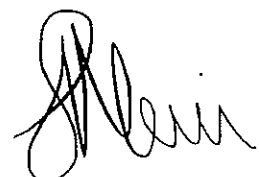
Achievements and performance

Financial review

The Charity made a surplus during the year of £71,653 (2020: £117,864). As at 31st August 2021 the Charity had total funds of £193,459, £99,889 of which are unrestricted funds available for any purpose.

The consequences of Covid and the resulting lock-down and restrictions have made it impossible to implement a reserves policy. This will be established once we have completed a full trading year and as the funding situation develops.

Unrestricted funds at the year end are £99,889 however most of this is represented by debtors owed by the trading subsidiary. The actual cash balance available at the year end is £6,307.



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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

The Charity is concentrating on developing the accessible venue further into a 150 seat auditorium, by September 22. It is projected that this will stabilise incomings and outgoings allowing expansion of its activities in the future whilst continuing to generate support and funding opportunities. All of which allowing us to inject more funding into charitable activities.

Being just one year old, the Charity find themselves in a unique position which will enable them to fully diversify their workforce, governance, audiences, visitors and participants ensuring that age, disability, gender reassignment, race, religion or belief, sex and sexual orientation are key considerations in the organisation's growth at all levels.

The Board of Trustees has already been diversified with a further member representing an individual from a section of society that is underrepresented, disenfranchised or underserved.

In the coming year the board will develop their Diversity & Equality arm and will be tasked with monitoring employment, casting, productions and audiences on a regular basis across all levels from the Board to part-time employees.

Structure, governance and management

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

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:

Mr L Evans

Mr T Macfarlane

Ms T Stanley

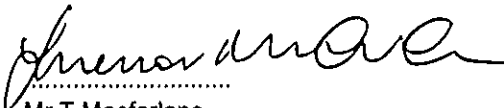
Ms J Anderson

Mr A Baron

(Appointed 1 June 2021)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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



Mr T Macfarlane

Trustee

Date: 29th June 2022



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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FIFTY THREE TWO

I report to the trustees on my examination of the financial statements of Fifty Three Two (the charity) for the year ended 31 August 2021.

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.



Champion TLL Limited

P Buck FCA, DChA
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Hesketh Bank
Preston
Lancashire
PR4 6SN

Dated: 24/6/2022



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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	27,256	75,000	102,256	33,113	108,000	141,113
Other trading activities	4	791	-	791	-	-	-
Total income		28,047	75,000	103,047	33,113	108,000	141,113
Expenditure on:							
Raising funds	5	4,672	-	4,672	-	-	-
Charitable activities	6	12,292	14,430	26,722	23,249	-	23,249
Total expenditure		16,964	14,430	31,394	23,249	-	23,249
Net incoming resources before transfers		11,083	60,570	71,653	9,864	108,000	117,864
Gross transfers between funds		75,000	(75,000)	-	-	-	-
Net income/(expenditure) for the year/							
Net movement in funds		86,083	(14,430)	71,653	9,864	108,000	117,864
Fund balances at 1 September 2020		13,806	108,000	121,806	3,942	-	3,942
Fund balances at 31 August 2021		99,889	93,570	193,459	13,806	108,000	121,806

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

All income and expenditure derive from continuing activities.

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



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BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	11	187,872		12,872	
Cash at bank and in hand		6,307		109,654	
		<u>194,179</u>		<u>122,526</u>	
Creditors: amounts falling due within one year	12	(720)		(720)	
Net current assets			<u>193,459</u>		<u>121,806</u>
Income funds					
Restricted funds			93,570		108,000
Unrestricted funds			99,889		13,806
			<u>193,459</u>		<u>121,806</u>

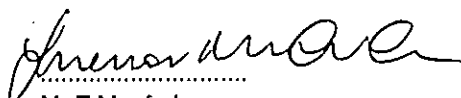
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021.

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

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


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

The financial statements were approved by the Trustees on 29th June 2022



Mr T Macfarlane
Trustee

Company registration number 10646009



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity Information

Fifty Three Two is a private company limited by guarantee incorporated in England and Wales. The registered office is 7-9 Station Road, Hesketh Bank, Preston, Lancashire, PR4 6SN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). 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 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.

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.

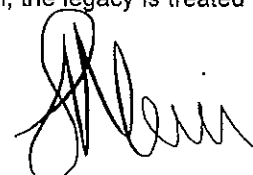
Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 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.

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.



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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.

1.6 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.

1.7 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

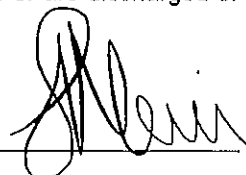
Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial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

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

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

Derecognition of financial liabilities

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



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

1.8 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.

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 and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	24,648	-	24,648	33,113	108,000	141,113
Grants receivable	2,608	75,000	77,608	-	-	-
	<u>27,256</u>	<u>75,000</u>	<u>102,256</u>	<u>33,113</u>	<u>108,000</u>	<u>141,113</u>

4 Other trading activities

	Unrestricted funds	Total
	2021 £	2020 £
Fundraising events	<u>791</u>	<u>-</u>



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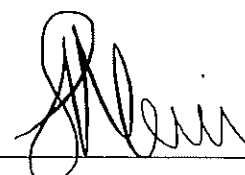
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

5 Raising funds

	Unrestricted funds	Total
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	4,672	-
	<u>4,672</u>	<u>-</u>

6 Charitable activities

	Charitable Expenditure 2021	Charitable Expenditure 2020
	£	£
Rates	1,037	5,216
Travel	1,680	-
Miscellaneous costs	-	437
Subscriptions and fees	35	458
Bank charges	54	72
Professional fees - property	6,400	14,504
Management fee	500	1,500
Rent	6,203	-
Light and heat	1,913	-
	<u>17,822</u>	<u>22,187</u>
Grant funding of activities (see note 7)	5,492	-
Share of governance costs (see note 8)	3,408	1,062
	<u>26,722</u>	<u>23,249</u>
Analysis by fund		
Unrestricted funds	12,292	23,249
Restricted funds	14,430	-
	<u>26,722</u>	<u>23,249</u>



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Grants payable

	Charitable Expenditure 2021 £	2020 £
Grants to institutions:		
Other	5,492	-
	<u>5,492</u>	<u>-</u>

8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Legal and professional	-	2,688	2,688	-	-	-
Accountancy fees	-	720	720	-	730	730
Travel and subsistence	-	-	-	-	332	332
	<u>-</u>	<u>3,408</u>	<u>3,408</u>	<u>-</u>	<u>1,062</u>	<u>1,062</u>
Analysed between Charitable activities	-	3,408	3,408	-	1,062	1,062
	<u>-</u>	<u>3,408</u>	<u>3,408</u>	<u>-</u>	<u>1,062</u>	<u>1,062</u>

9 Trustees


None of the trustees received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
<u>1</u>	<u>1</u>

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



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	34,472	12,872
	<u>34,472</u>	<u>12,872</u>
Amounts falling due after more than one year:		
Other debtors	153,400	-
	<u>153,400</u>	<u>-</u>
Total debtors	<u>187,872</u>	<u>12,872</u>

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	720	720
	<u>720</u>	<u>720</u>

13 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:						
Current assets/ (liabilities)	99,889	93,570	193,459	13,806	108,000	121,806
	<u>99,889</u>	<u>93,570</u>	<u>193,459</u>	<u>13,806</u>	<u>108,000</u>	<u>121,806</u>

14 Related party transactions

During the year the company loaned £175,000 to 53 Two Events Ltd, a company that shares a director with the Charity. This was done on an arms length basis with a loan contract entered into. As at 31 August 2021 the balance outstanding to the company was £182,872 (2020: £7,872)

