

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 2022

FIFTY THREE TWO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr L Evans Mr T Macfarlane Ms T Stanley Ms J Anderson Mr A Baron Ms N J Wildin	(Appointed 28 May 2022)
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 2022

The trustees present their annual report and financial statements for the year ended 31 August 2022.

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 a 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 increased capacity, 150 seater theatre for performances, events and workshops. The charity have kept a rehearsal studio as an extension of its work for classes and meetings. Both the venue and studio are entirely accessible and 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 them 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 – all of which have accessibility at their core.

53two became the first independent or fringe theatre in Manchester to be more than a room above a pub, but an actual city centre theatre space. They were also the only independent theatre in the city to offer wheelchair patrons access. Recently they received a grant to part-fund a changing places toilet, their 'Freedom Suite' which is expected to be completed by the close of 2023. In addition, 53two have continued to champion accessibility throughout, including a modular table system and lowered bar for wheelchair users, staff training in BSL, tactile till pads for the visually impaired and accessible toilets. The pop-up theatre space has a floor-level stage and accessible raised stage and they have celebrated having wheelchair users both on it, and directing for it. The venue sees accessibility not as an 'add on' but as a part of its fabric.

In 2022 53two audiences enjoyed theatre productions, corporate events, music festivals, private parties, weddings and more. Clients have included MIF, Greater Manchester Fringe Festival, Forum For The Built Environment, Contact Theatre, Manchester Society of Architects & CAMRA to name a few. Of their own shows they have received three Commendations from The Offies. On top of this, 53two has been able to continue to offer charitable activities in the form of space, support, mentoring and more.

Their Outreach Programme has invited directors from the Oldham Coliseum to work in the theatre space and vice versa, as they took new writing to the community of Oldham and holding workshops for students at Oldham College. They are also working across Greater Manchester to bring theatre to several other underserved communities and youth groups. This year they have also launched workshops to develop confidence and personal development for patients in Manchester Children's Hospital School, working on their high-dependency, cancer and mental health wards.

53two also continued to run acting classes in their accessible studio and showcase their work for emerging and established artists. The education arm is designed to benefit actors and its' focus lies primarily on providing professional services at an affordable cost. This platform also provides free services for DANC (Disabled Artists Networking Community) members. In a world saturated with practitioners, self-help specialists, show-reel producers, headshot photographers and more, it hopes to bridge the gap between the affordable and the achievable, also operating out of their accessible studio space in the Great Northern Warehouse. 53two also provides a footing on which small scale, touring and fringe productions can be launched, also providing opportunities to give both professional and training actors work with schemes such as [53New](#)

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

When COVID-19 hit, 53two operated on diminished trading and despite struggling, were still able to offer 'pay what you can' classes to creatives across the UK, free workshops for colleges attended by underserved students and disabled creatives group Triple C, as well as producing several Christmas projects. These projects included their second and third Christmas commercials - highlighting the lack of diversity in mainstream television using disabled creatives on and off screen. In 2021, in Lockdown, they also hosted a Christmas story project working with emerging and established actors and writers, Manchester Children's Hospital and schools from Greater Manchester. This project raised over £1,000 for children's charity, The Wood St Mission.

53two have used their theatre space to support the Community Media Crew (Disabled Artists Collective), The Hive, a student company formed during Covid to provide a platform for those creatives who lost opportunities in lockdown and Switch MCR their resident Next Generation Artists group of young, diverse creatives. 53two are also home to the RX Elders group and Creative Writing group for over 65's. 53two have also continued to offer Unwaged, £2 tickets, BSL performances for every production, relaxed performances and consistently operate under an Equality, Diversity and Inclusion Policy whilst encouraging all visiting companies to do the same.

53two provide an open and friendly environment, breaking down the somewhat 'closed door' mentality that sometimes comes with theatre, also providing an events space for some of Manchester's most influential producers, agents and casting directors and a bar that is open to pop in and grab a beer or a coffee, read a script from their library or jump on the WiFi and send those important emails.

Ultimately, beneath their quintessentially Manc brickwork in just under two years we have a new, comfortable, accessible 'drip-free' bar and café for Manchester's thriving arts community and further developing our second arch to full capacity adding a changing places toilet and continuing to change the face of Manchester Theatre.

Achievements and performance

Financial review

The Charity made a surplus during the year of £18,306 (2021: £71,653). As at 31st August 2022 the Charity had total funds of £193,459, £88,195 of which are unrestricted funds available for any purpose.

Reserves Policy

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 £181,765 however most of this is represented by debtors owed by the trading subsidiary. The actual cash balance available at the year end is £25,513.

Investment policy

The trustees of the charity consider their investment potential on an ongoing basis. Their aim is to maximise the return on their funds whilst being able to instantly access those funds should they need them.

Risk review

The trustees of the charity consider the risks to which the charity is exposed on an ongoing basis and have plans in place should those risks materialise.

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

Plans for future periods

The charity will continue to concentrate on developing the space and ensuring accessibility is kept at the core of their activities.

For the next period 53two would hope to develop their auditorium and continue to build internal infrastructure, including the build of the arch frontage to allow direct egress for wheelchairs.

53two will also continue to focus on the completion of the build of the 'Freedom Suite'.

It is projected that increased activity will stabilise outgoings and continue to grow incomings, allowing the above developments and also expansion of outreach activities whilst continuing to generate support and funding opportunities. All of which allowing them to inject more funding into charitable activities.

In their second year at the venue, the charity find themselves in a position to develop and 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.

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

Ms N J Wildin

(Appointed 28 May 2022)

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: 19/06/23

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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 2022.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Champion TLL Limited

P Buck FCA, DChA

7-9 Station Road

Hesketh Bank

Preston

Lancashire

PR4 6SN

Dated: 19/06/2023

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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	7,607	30,000	37,607	27,256	75,000	102,256
Other trading activities	4	1,027	-	1,027	791	-	791
Total income		<u>8,634</u>	<u>30,000</u>	<u>38,634</u>	<u>28,047</u>	<u>75,000</u>	<u>103,047</u>
Expenditure on:							
Raising funds	5	203	-	203	4,672	-	4,672
Charitable activities	6	20,125	-	20,125	12,292	14,430	26,722
Total expenditure		<u>20,328</u>	<u>-</u>	<u>20,328</u>	<u>16,964</u>	<u>14,430</u>	<u>31,394</u>
Net (outgoing)/incoming resources before transfers		(11,694)	30,000	18,306	11,083	60,570	71,653
Gross transfers between funds		93,570	(93,570)	-	75,000	(75,000)	-
Net income/(expenditure) for the year/ Net movement in funds		81,876	(63,570)	18,306	86,083	(14,430)	71,653
Fund balances at 1 September 2021		99,889	93,570	193,459	13,806	108,000	121,806
Fund balances at 31 August 2022		<u>181,765</u>	<u>30,000</u>	<u>211,765</u>	<u>99,889</u>	<u>93,570</u>	<u>193,459</u>

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 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	13	187,872		187,872	
Cash at bank and in hand		25,513		6,307	
		<u>213,385</u>		<u>194,179</u>	
Creditors: amounts falling due within one year	14	<u>(1,620)</u>		<u>(720)</u>	
Net current assets			<u>211,765</u>		<u>193,459</u>
Income funds					
Restricted funds			30,000		93,570
Unrestricted funds			<u>181,765</u>		<u>99,889</u>
			<u>211,765</u>		<u>193,459</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 2022.

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

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

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

The financial statements were approved by the Trustees on 19/06/23



Mr T Macfarlane
Trustee

Company registration number 10646009

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

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 2022

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 2022

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.

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	7,607	-	7,607	24,648	-	24,648
Grants receivable	-	30,000	30,000	2,608	75,000	77,608
	<u>7,607</u>	<u>30,000</u>	<u>37,607</u>	<u>27,256</u>	<u>75,000</u>	<u>102,256</u>

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

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Fundraising events	1,027	791

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Fundraising and publicity		
Other fundraising costs	203	4,672
	203	4,672

6 Charitable activities

	Charitable Expenditure	Charitable Expenditure
	2022	2021
	£	£
Rates	(1)	1,037
Travel	-	1,680
Subscriptions and fees	35	35
Bank charges	169	54
Professional fees - property	-	6,400
Management fee	-	500
Rent	7,782	6,203
Light and heat	11,240	1,913
	19,225	17,822
Grant funding of activities (see note 8)	-	5,492
Share of governance costs (see note 9)	900	3,408
	20,125	26,722
Analysis by fund		
Unrestricted funds	20,125	12,292
Restricted funds	-	14,430

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Description of charitable activities

Charitable Expenditure
Charitable Activities

8 Grants payable

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

-

9 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Legal and professional	-	-	-	2,688
Accountancy fees	-	900	900	720
	<u>-</u>	<u>900</u>	<u>900</u>	<u>3,408</u>
Analysed between Charitable activities	-	900	900	3,408
	<u>-</u>	<u>900</u>	<u>900</u>	<u>3,408</u>

10 Trustees

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

11 Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
1	1
<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 2022

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	34,472	34,472
	<u>34,472</u>	<u>34,472</u>
Amounts falling due after more than one year:		
Other debtors	153,400	153,400
	<u>153,400</u>	<u>153,400</u>
Total debtors	<u>187,872</u>	<u>187,872</u>

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	1,620	720
	<u>1,620</u>	<u>720</u>

15 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 August 2022 are represented by:					
Current assets/(liabilities)	181,765	30,000	211,765	99,889	193,459
	<u>181,765</u>	<u>30,000</u>	<u>211,765</u>	<u>99,889</u>	<u>193,459</u>

Restricted funds are held for the following purposes:

£30,000 from the Backstage Trust for the purposes of providing a fully-accessible Changing Places toilet and washroom within the venue.

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

16 Related party transactions

During the previous years the charity has loaned money to 53 Two Events Ltd, a company that shares directors with the charity. This was done on an arms length basis with a loan contract entered into. As at 31 August 2022 the balance outstanding to the company was £182,872 (2021: £182,872)