

Company registration number: CE015497

Charity registration number: 1180504

The Folkestone-Hythe Operatic & Dramatic Society

(A Charitable Incorporated Organisation)

Annual Report and Financial Statements

for the year ended December 31, 2021

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The Folkestone-Hythe Operatic & Dramatic Society

Trustees' Report for 2021

The trustees present their report with the financial statements of the charity for the year ended December 31, 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) FRS 102

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1180504

Principal address

The Tower Theatre
North Road
Folkestone
Kent
CT20 3HL

TRUSTEES

The Executive Committee of the charity are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The trustees serving during the year were as follows with their date of appointment:

Chair	Michael Chisnall (June 2018 – re-elected November 2020)
Vice-chair	Merewyn Forrest (January 2022)
Secretary	Natalie Holness (November 2020)
Treasurer	Michael Manton (June 2018 – re-elected January 2020)
Other Members	David Lewis (June 2019)
	Myra Collingridge (November 2020)
	Alice Hawkins (January 2022)
	Sam Lovelace-Walne (until January 2022)
	Paul Hoveman (until January 2022)
	Pete Raine (until February 2022)

The following assisted in running the Society but are not trustee positions:

Theatre Manager	John Pritchard
Events and Marketing Manager	Reana Herchenhan
Technical Manager	Ben Lavery
Duty Manager	Gary Ingoldby Spate
P&P sub-committee Chair	Steve Hawkins
Administrator	Michelle Hartley
Youth Section Chair	Molly Parker

Independent examiner

Mr Neil Hope
10 James Close
Lyminge
CT18 8NL

Solicitors

Messrs Girlings
16 Rose Lane
Canterbury CT1 2UR

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

On October 31st 2018, following agreement at the June 2018 AGM, a new FHODS was set up as a Charitable Incorporated Organisation (CIO). On December 3, 2018, all assets and liabilities were transferred from the old Society to the new CIO. Its charitable status remains unaltered although the Charity Number has changed from 1001311 to 1180504.

Appointment of Trustees

Any member of the society aged 18 or over is eligible to serve on the Executive Committee provided they are nominated and seconded by other members of the society, and properly elected. Members of the Executive Committee are Trustees. The Vice-President and all members of the Executive Committee are elected at the Annual General Meeting held as near to the end of June as is practicable.

The overall responsibility for the Society lies with the Executive Committee. The Hon.Treasurer is responsible for overseeing the finances of the Society. All members are circulated with invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM.

Organisation

The trustees administer the charity. The Executive Committee meets monthly and there is a Performance and Planning Sub-Committee covering the planning and staging of plays, musical and pantomimes.

OBJECTIVES AND ACTIVITIES

The charitable objectives of FHODS are to educate the public in the dramatic and operatic arts and to further the development of public appreciation and taste in the said arts. The Society also aims to contribute to the quality of life of the local community and wider area by expanding their horizons through the provision of exciting, challenging and accessible productions of plays, musicals and youth performances.

The Society is very involved in the community and is dependent on voluntary help. Over the past few years, the Society has had around 100 Acting Members and 80 Friends, with a further 90 members of the Youth Section.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commissioners guidance on public benefit, including the guidance on public benefit and fee charging. The charity relies on grants and the income from charges to cover its operating costs. In setting the level of charges and concessions, the trustees give careful consideration to the accessibility of the theatre for those on low income.

FHODS was formed in 1902; we leased the Little Theatre in Sandgate in 1965, purchasing its freehold in 1973; bought the Shorncliffe Garrison Church (as it then was) in 2001; and moved into it as our permanent home in 2006 after it had been converted into the present Tower Theatre.

PRODUCTIONS IN 2021

The coronavirus pandemic meant that The Tower Theatre was closed until early August. Our first show 'Back to the Musicals' was staged with socially-distanced audiences. The next show, 'The Audience', had two socially-distanced audience performances and two standard (pre-pandemic) audience performances. All subsequent productions had standard audiences.

56% of the final ticket sales revenue for The Vicar of Dibley was taken in 2019 and 2020, pre-pandemic, and carried over to its eventual performances in 2021.

PRODUCTIONS IN 2021

The table below shows FHODS productions during 2021 at the Tower Theatre with their audiences, production budgets and net contribution to overheads – in other words, their gross income less their direct costs.

SHOW	PERFORMANCES	AUDIENCE	SHOW BUDGET	TICKET REVENUE	OVERHEAD CONTRIBUTION
Back to the Musicals	3	233	£796	£3,036	£2,240
The Audience	4	214	£1,553	£2,767	£1,214
The Vicar of Dibley	5	1,236	£2,156	£14,034	£11,878
Blackadder Goes Forth	5	547	£1,849	£7,383	£5,534
Dick Whittington	20	3,345	£16,137	£44,937	£28,800
TOTAL	82	5,575	£22,491	£72,157	£49,666

In addition to these FHODS productions, the theatre was used for an additional 14 performances from outside hires, for theatre, musicals, dance and youth productions. These outside hires ran from September 24th to December 4th had a total audience of 1,617.

Therefore, in summary, there were 51 performances in the main auditorium, playing to a total audience of 7,192. This compares to a total audience of 15,915 for 2019, the last year that we were fully open.

FINANCIAL REVIEW

2019 & 2020 comparatives

The closure of the theatre for 18 months from March 2020 means that comparing 2021 performance with 2019 and 2020 is of limited value.

Income

Ticket sales for shows after reopening were challenging as the pandemic restrictions began to be lifted. As Covid still remained prevalent, audiences failed to reach our usual estimations – for example, ticket sales for Dick Whittington were down -29% from the 2019 performance of Jack and the Beanstalk.

Bar profits for the year dropped significantly to just £6,400 from £34,000 in 2019. Much of this was due to the necessity of restocking most of our lines after losing much of this during the closure. As a result, margin on bar sales dropped from 57% in 2019 to 39% in 2021.

We have been fortunate enough to receive grants of £68,000 in 2021, including £5,000 from the Linbury Trust and £50,000 from the Culture Recovery Grant. Many important projects were funded from the Culture Recovery Grant, including un-furloughing staff in advance of reopening, improving heating and insulation in the building, new marketing assets, and a new projector and screen for the stage.

The rental income from the Jumping Jacks Nursery contributed £4,320. We also continued to receive furlough payments for all staff through the Job Retention Scheme.

In all, our income for the year was £181,000, which was £66,00 more than 2020 and £4,000 less than 2019.

Expenditure

For obvious reasons, expenditure was much less than normal, and wages in particular were very much lower as we took advantage for much of the year of the furlough payments through the Job Retention Scheme. Nonetheless, the bank loan still had to be serviced, the building insured, maintained and heated.

Wages increased by £10,000 compared to 2020. We also spent £4,600 on casual technical staff to support the reopening of the theatre and support those first five FHODS productions.

Expenditure for the year was £179,500, which was £65,000 more than 2020 and £6,000 more than 2019.

Financial Overview

The profit and loss account shows a small profit of £1,819, compared to £71 in 2020 and £12,000 in 2019. We have done well to survive the pandemic financially, and Culture Recovery Grant we received has allowed us invest in the theatre in a greater capacity than we otherwise have been able to in non-pandemic times.

We remain, as ever, balanced on a financial knife edge and cash flow remains a concern. We must continue to publicise and support all of the shows that are staged at the Tower Theatre, improving our yield management and filling the theatre as much as possible.

Reserves Policy

The trustees are attempting to establish the level of reserves (that is those funds that are freely available) the Society ought to have. Reserves provide the financial safety net which we need but have never achieved.

PLANS FOR FUTURE PERIODS

The Trustees consider the charity to be a viable going concern.

A full schedule of FHODS productions for 2022 and 2023 has been approved by the Executive and Performance & Planning committees. Ticket sales for 2022 have so far been encouraging, with ticket revenue for FHODS and non-FHODS show performing ahead of the budgeted targets, especially non-FHODS outside shows.

We are mindful that the pandemic is far from over and future closures could severely impact us again, so we remain cautiously optimistic for the future.

The Folkestone-Hythe Operatic & Dramatic Society

Statement of Trustees' Responsibilities

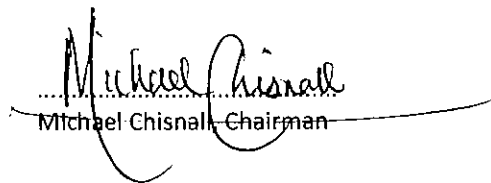
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 of the charity for that period. 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 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 business.

The trustees are responsible for keeping proper 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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on18th Aug 2022..... and signed on its behalf by:


Michael Chisnall, Chairman

The Folkestone-Hythe Operatic & Dramatic Society

Independent examiner's report to the trustees

I report to the trustees on my examination of the accounts of The Folkestone-Hythe Operatic & Dramatic Society (the Society) for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Society you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Having satisfied myself that the accounts are not required to be audited, I report in respect of my examination of the Society's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Society as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 accounts to be reached.

Name: Neil Hope

Address: 10 James Close, Lylinge, Folkestone, Kent. CT18 8NL



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Neil Hope CIPFA

Date: 28 August 2022 .
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The Folkestone-Hythe Operatic & Dramatic Society

Statement of Financial Activities for the year to December 31st 2021


	Note	Year to 31/12/2021 £	Year to 31/12/2020 £
Income and Endowments from:			
Donations and legacies	2	89,138	69,203
Charitable and trading activities	3	92,186	44,937
Total income		<u>181,324</u>	<u>114,140</u>
Expenditure on:			
Raising funds	4	72,251	58,583
Charitable activities	5	48,289	23,453
Other expenditure	6	58,965	32,033
Total expenditure		<u>179,505</u>	<u>114,069</u>
Net movement in funds		<u>1,819</u>	<u>71</u>

The Folkestone-Hythe Operatic & Dramatic Society

Balance Sheet as at December 31st 2021

	Note	31/12/2021 £	31/12/2020 £
Fixed assets			
Tangible assets	9	<u>609,075</u>	<u>605,903</u>
Current assets			
Stocks	10	2,911	1,223
Debtors	11	6,940	9,159
Cash at bank and in hand	12	<u>121,923</u>	<u>56,903</u>
		131,774	67,285
Creditors: Amounts falling due within one year	13	<u>82,310</u>	<u>-13,903</u>
Net current assets		49,464	<u>53,382</u>
Total net assets		<u>658,539</u>	<u>659,285</u>
Creditors: Amounts falling due after more than one year	14	178,138	-180,703
Net assets		<u>480,401</u>	<u>478,582</u>
Funds of the charity:			
Unrestricted funds brought forward		478,582	478,511
Profit for the year		1,819	71
Total unrestricted funds at year end	15	<u>480,401</u>	<u>478,582</u>

Approved by the trustees on18/05/2022..... and signed on its behalf by:


Michael Manton, Treasurer

The Folkestone-Hythe Operatic & Dramatic Society

Notes to the Financial Statements for the year to December 31st 2021

1. Charity Status

The charity is a Charitable Incorporated Organisation, incorporated in England and Wales, and consequently does not have share capital.

	year to 31/12/2021	year to 31/12/2020
2. Income from Donations and legacies		
Donations	3,432	5,881
Legacies	-	
Grants from other agencies	68,072	29,000
Grants - CJRS furlough scheme	17,634	34,322
	<u>89,138</u>	<u>69,203</u>

3. Income from trading and charitable activities

Trading income		
Sales of goods	16,270	10,333
Property rental	4,320	4,230
Other trading income	811	82
Charitable income		
Theatrical events income	67,875	27,062
Membership subscriptions	2,910	3,230
	<u>92,186</u>	<u>44,937</u>

4. Expenditure on raising funds

Cost of goods sold	9,878	7,563
Staff salaries	62,373	51,020
	<u>72,251</u>	<u>58,583</u>

No employee received more than £60,000 in the year. Staff salaries are shown before furlough payments received through the Government's Job Retention Scheme, which are shown separately in note 2 above.

5. Expenditure on charitable activities

Production costs	35,792	9,016
Independent examiner's fees	-	1,747
Other costs	1,468	105
Bank interest	6,083	7,376
Bank charges	-	26
Insurance	4,946	5,183
	<u>48,289</u>	<u>23,453</u>

6. Other expenditure

Staff training	570	250
Marketing and publicity	4,107	5,106
Depreciation	5,760	3,526
Building repairs and maintenance	33,044	11,507
Other resources expended	15,484	11,644
	<u>58,965</u>	<u>32,033</u>

7. Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

8. Taxation

The Society is a registered charity and is therefore exempt from corporate taxation

9. Tangible fixed assets

	Freehold land and buildings	Fixtures and equipment	Total
Cost at December 31 2020	598,534	14,109	612,643
Additions		8,932	8,932
Cost at December 31 2021	<u>598,534</u>	<u>23,041</u>	<u>621,575</u>
Depreciation at December 31 2020	-	6,740	6,740
Charge for the year	-	5,760	5,760
Depreciation at December 31 2021	<u>-</u>	<u>12,500</u>	<u>12,500</u>
Net book value at December 31 2021	<u>598,534</u>	<u>10,541</u>	<u>609,075</u>

The Trustees policy is that fixtures and equipment are depreciated at 25% on a straight line basis. Freehold land and buildings are not depreciated since, in the opinion of the Trustees, their value on the open market exceeds their net book value.

year to 31/12/2021

year to 31/12/2020

10. Stocks

Bar stocks	<u>2,911</u>	<u>1,223</u>
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11. Debtors and prepayments

Debtors	5,505	5,549
Prepayments	1,435	3,610
	<u>6,940</u>	<u>9,159</u>

12. Cash and bank

Cash on hand	600	600
Cash at bank	121,323	56,304
	<u>121,923</u>	<u>56,904</u>

13. Creditors - amounts falling due within one year

Trade creditors	7,748	- 797
Other creditors	11,426	
Accruals	8,000	5,000
Bank loans	55,136	9,700
	<u>82,310</u>	<u>13,903</u>

14. Creditors: amounts falling due after one year

Bank loans	<u>178,138</u>	<u>180,703</u>
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15. Unrestricted funds

Balance brought forward	478,582	478,511
Incoming resources	181,324	79,818
Resources expended	179,505	- 79,747
Balance carried forward	<u>480,401</u>	<u>478,582</u>

16. Analysis of net assets

Tangible fixed assets	609,075	605,903
Current assets	131,774	67,285
Current liabilities	82,310	- 13,903
Liabilities over one year	178,138	- 180,703
	<u>480,401</u>	<u>478,582</u>

The Folkestone-Hythe Operatic & Dramatic Society

Detailed Statement of Financial Activities for the year to December 31st 2021

	2021 £	2020 £
INCOME		
Donations grants and legacies		
Legacies and bequests	-	-
Gifts & donations	3,432	5,881
Grants - other agencies	68,072	29,000
Grants - CJRS furlough scheme	17,634	34,322
	<u>89,138</u>	<u>69,203</u>
Other trading activities		
Bar and refreshment sales	16,270	10,333
Income from productions	58,062	22,077
Theatre and foyer letting	9,813	4,985
Subscriptions	2,910	3,230
Rental income	4,320	4,230
Sundry income	811	82
	<u>92,186</u>	<u>44,937</u>
Total Income	181,324	114,140
EXPENDITURE		
Raising funds		
Bar Purchases	9,878	7,563
Wages and salaries	60,614	51,020
Casual bar wages	1,759	
	<u>72,251</u>	<u>58,583</u>
Charitable activities		
Production costs	31,167	9,463
Casual technical staff	4,625	-
Box office fees	1,335	447
Insurance	4,946	5,183
Accountancy fees	133	1,747
Legal and professional fees	-	105
Bank charges	-	26
Bank interest payable	6,083	7,376
	<u>48,289</u>	<u>23,453</u>

Other expenditure			
Staff training	570		250
Light, heat and power	4,078		3,302
Repairs and maintenance	33,044		11,507
Telephone	699		649
Computer software and maintenance costs	1,908		2,379
Printing, postage and stationery	1,334		999
Sundry expenses	634		1,121
Cleaning	4,703		2,834
General marketing	4,107		5,106
Credit card charges	2,128		360
Depreciation of equipment	5,760		3,526
	<u>58,965</u>		<u>32,033</u>
Total Expenditure	179,505	-	114,069
Net Income	1,819		71