

THEATRE NATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 14 AUGUST 2020

THEATRE NATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr T Daldry	(Appointed 15 August 2019)
	Mr P K Kealey	(Appointed 15 August 2019)
	Mr C W Weller	(Appointed 15 August 2019)
Charity number	1184918	
Principal address	51 Priory Road Hastings East Sussex TN34 3JJ	
Independent examiner	McPhersons CFG Limited 23 St Leonards Road Bexhill-on-Sea East Sussex TN40 1HH	

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TRUSTEES' REPORT

FOR THE YEAR ENDED 14 AUGUST 2020

The trustees present their report and financial statements for the year ended 14 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the The Association's [governing document], the Charities Act 2011 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 Association's objects are:

To support, monitor, advise on strategies and promote the work of Theatre Nation, a non-profit making consortium of professional theatre directors, producers, writers, filmmakers, designers and visual artists without distinction of age, sex, race, political, religious or other opinion who work in community settings.

To obtain, collect and receive money by way of grants, donations and bequests by any lawful method provided that the Association does not engage in any permanent trading.

Employ and pay any person or persons, not being a member of the Management Committee to supervise, organise and carry on the work of the Association and make all reasonable and necessary provision for the payment of such remuneration.

To promote and organise co-operation in the achievement of the above objects and to that end to work in association with local authorities, voluntary associations and arts organisations engaged in the furtherance in the above objects and the area of benefit.

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

Achievements and performance

During the year, we have been able to run several workshops with schools; with age groups ranging from reception to A Level.

Our main artistic activity centred around pre-production of a mid-scale theatre tour. Core outreach involved connecting with White Rock Theatre's youth group: to run a workshop, Q&A with actors, and to invite participants to attend the dress rehearsal. Unfortunately, Covid-19 forced the theatre to close, although we're pleased to have the means to offer this work in the future.

Since the pandemic, we have connected with local organisations to develop a community-focused 3-year arts project as a response to the situation. Our role will involve co-creating bespoke drama/therapy workshops with service users, and we are pleased to be planning for that.

Financial review

It is the policy of the The Association that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between one and three month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the The Association's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees has assessed the major risks to which the The Association is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The The Association is a charitable incorporated organisation.

The trustees who served during the year and up to the date of signature of the financial statements were:

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TRUSTEES' REPORT (CONTINUED)


FOR THE YEAR ENDED 14 AUGUST 2020

Mr T Daldry	(Appointed 15 August 2019)
Mr P K Kealey	(Appointed 15 August 2019)
Mr C W Weller	(Appointed 15 August 2019)

Trustees are recruited in accordance with the Association's constitution.

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 Daldry
Trustee
Dated: 19/08/20


.....
Mr P K Kealey
Trustee
Dated: 19/08/20

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THEATRE NATION

I report to the trustees on my examination of the financial statements of Theatre Nation (the The Association) for the year ended 14 August 2020.

Responsibilities and basis of report

As the trustees of the The Association you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the The Association's financial statements carried out under section 145 of 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

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 The Association as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.



Mr A Gill BA FCA
McPhersons CFG Limited

23 St Leonards Road
Bexhill-on-Sea
East Sussex
TN40 1HH

Dated: 20 August 2020

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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 14 AUGUST 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020
	Notes			
<u>Income from:</u>				
Donations and legacies	3	42,951	13,500	56,451
Investments	4	2	-	2
Total income		42,953	13,500	56,453
<u>Expenditure on:</u>				
Raising funds	5	1,420	-	1,420
Charitable activities	6	25,162	13,500	38,662
Total resources expended		26,582	13,500	40,082
Net income for the year/ Net movement in funds		16,371	-	16,371
Fund balances at 15 August 2019		-	-	-
Fund balances at 14 August 2020		16,371	-	16,371

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

All income and expenditure derive from continuing activities.

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BALANCE SHEET

AS AT 14 AUGUST 2020

	Notes	2020 £	£
Fixed assets			
Tangible assets	10		2,964
Current assets			
Cash at bank and in hand		13,887	
Creditors: amounts falling due within one year	11	(480)	
Net current assets			13,407
Total assets less current liabilities			16,371
Income funds			
Unrestricted funds			16,371
			16,371

The financial statements were approved by the Trustees on 19/08/20


Mr T Daldry
Trustee

THEATRE NATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 14 AUGUST 2020

1 Accounting policies

Charity information

Theatre Nation is a charitable incorporated organisation.

1.1 Accounting convention

The financial statements have been prepared in accordance with the The Association's [governing document], the Charities Act 2011 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)". The The Association is a Public Benefit Entity as defined by FRS 102.

The The Association 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 have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the The Association. 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 The Association 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 The Association.

1.4 Income

Income is recognised when the The Association 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 The Association 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 The Association 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 14 AUGUST 2020

1 Accounting policies

(Continued)

1.5 Expenditure

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

Cost of generating funds comprise the costs associated with trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries and the cost of attracting voluntary income. It includes both costs that can be allocated directly to such activities and those of an indirect nature to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	1/3 Straight line
Motor vehicles	20 % 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 net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the The Association reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 14 AUGUST 2020

1 Accounting policies

(Continued)

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 The Association's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the The Association'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
	2020 £	2020 £	2020 £
Donations and gifts	27,051	-	27,051
Grants receivable	15,900	13,500	29,400
	<u>42,951</u>	<u>13,500</u>	<u>56,451</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 14 AUGUST 2020

4 Investments

Unrestricted funds

2020
£

Interest receivable	2
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5 Raising funds

Unrestricted funds

2020
£

Fundraising and publicity	
Other fundraising costs	1,420
	<hr/>
	1,420
	<hr/>

6 Charitable activities

Charitable Expenditure 2020 £

Depreciation and impairment	975
Event and production costs	26,685
Workshop costs	296
Motor running costs	6,078
	<hr/>
	34,034

Share of support costs (see note 7)	4,148
Share of governance costs (see note 7)	480
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	38,662
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Analysis by fund

Unrestricted funds	25,162
Restricted funds	13,500
	<hr/>
	38,662
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 14 AUGUST 2020

7 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs
	£	£	£	£	£
Printing, postage and stationery	226	-	226	-	-
Advertising and publicity	282	-	282	-	-
Telephone costs	82	-	82	-	-
Subscriptions	56	-	56	-	-
Computer running costs	241	-	241	-	-
Rent	3,000	-	3,000	-	-
Sundry costs	191	-	191	-	-
Insurance	70	-	70	-	-
Legal and professional	-	480	480	-	-
	<u>4,148</u>	<u>480</u>	<u>4,628</u>	<u>-</u>	<u>-</u>
Analysed between					
Charitable activities	<u>4,148</u>	<u>480</u>	<u>4,628</u>	<u>-</u>	<u>-</u>

8 Trustees

There were payments to trustees' during the year of £3,500 for services performed for the association in the delivery of the productions. These were at arm's length.

9 Employees

There were no employees during the year.

10 Tangible fixed assets

	Computers	Motor vehicles	Total
	£	£	£
Cost			
Additions	1,439	-	1,439
Business combinations	-	2,500	2,500
At 14 August 2020	<u>1,439</u>	<u>2,500</u>	<u>3,939</u>
Depreciation and impairment			
Depreciation charged in the year	475	500	975
At 14 August 2020	<u>475</u>	<u>500</u>	<u>975</u>
Carrying amount			
At 14 August 2020	<u>964</u>	<u>2,000</u>	<u>2,964</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 14 AUGUST 2020

11 Creditors: amounts falling due within one year

2020
£

Accruals and deferred income

480

12 Restricted funds

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

	Movement in funds		Movement in funds		
	Incoming resources	Balance at 15 August 2019	Incoming resources	Resources expended	Balance at 14 August 2020
	£	£	£	£	£
Arts council	-	-	13,500	(13,500)	-

The Arts Council awarded a grant for a one off project Waiting for Godot.

13 Related party transactions

One of the trustees has donated £20,650 of their own monies to the association.