

Charity Registration No. 214249

Company Registration No. 00268828 (England and Wales)

THE LEICESTER DRAMA SOCIETY LIMITED

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 JULY 2021**

THE LEICESTER DRAMA SOCIETY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A Crooks (Chairman) Mr J Ghent Mrs V Jones Mr S Dickens Mr R Hughes Ms F Harris Mr J Thompson Mr R Thirlby Mr M G Scott	(Appointed 28 March 2021)
Senior management	Mrs L Thirlby	
Secretary	Mr R Thirlby	
Charity number	214249	
Company number	00268828	
Operating name	The Little Theatre	
Principal address	Dover Street Leicester LE1 6PW	
Registered office	Dover Street Leicester LE1 6PW	
Auditors	Newby Castleman LLP West Walk Building 110 Regent Road Leicester LE1 7LT	
Bankers	Yorkshire Bank Plc 29 Horsefair Street Leicester LE1 5BL	
	CCLA Investment Management COIF Charity Fund 80 Cheapside London EC2V 6DZ	

THE LEICESTER DRAMA SOCIETY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Virgin Money
3 Eastgates
Leicester
LE1 5YA

Epworth Investment Management Limited
9 Bonhill Street
London
EC2A 4PE

Solicitors

Weightmans LLP
Waterloo House
71 Princess Road West
Leicester
LE1 6TR

THE LEICESTER DRAMA SOCIETY LIMITED

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THE LEICESTER DRAMA SOCIETY LIMITED

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 JULY 2021

It is with the greatest pleasure that I present my report as Chairman for the LDS year 2020 / 21 as we head down a path to 'normal' operating. There are many similarities to my report of a year ago.

This has definitely been a season of two distinct parts. We re-opened our theatre to the public in May for the first time in over a year, having been forced to close on Tuesday, March 17th 2020 due to Coronavirus.

The sudden lack of income from ticket sales meant that tough financial decisions had to be made to try and reduce on-going costs so that we didn't run out of money. Staff wages, utilities, and various contracts were the main costs. We were fortunate to receive a grant of £25,000 from the City Council, and later a 'bounce back' loan from our bank, which helped to allay these. We were also grateful recipients of Arts Council grants totalling £202,075 within the year which have been used to keep the building 'open' and upgrade some of our technical equipment and backstage facilities.

The government's Furlough scheme was used to pay staff wages until the end of October 2020 but with no renewed income in sight we had to take the tough decision in the summer to begin a consultation process on redundancy so that all staff except our Caretaker became redundant from the end of October 2020. We had been very fortunate in having such skilled and hard-working people with us, and the Trustees thank them all for their enormous patience and understanding in a very difficult situation.

We also had to take the decision to postpone our Pantomime 'Cinderella' to Christmas 2021, with ticket holders having their bookings transferred to new comparable dates if they wished – many did! Ticket sales were very successful with the pantomime almost selling out.

Our presence on Social Media platforms has continued during the year and this has proved invaluable in the Pandemic. Regular editions of our Little Theatre Podcast began in June 2020 and receive many 'hits'.

The fundraising for our proposed new building on the Anchor Centre site has naturally taken a backseat during the pandemic, the monies donated towards it are ring-fenced and as soon as is practical we will take further steps with this project. The demolition of the old building has taken place with the site cleared and fenced off.

With great efforts by many members, the musical entertainment Spread a Little Happiness was staged in May this year, originally planned as a Christmas show last December! The play Class followed in mid-June and our production of Chariots of Fire in July. For all these we had to observe Social Distancing protocols during rehearsals, for backstage activity and for our audiences, who had to be seated in 'bubbles': this meant that a maximum house of about 85 patrons was possible. Much preparatory work was done on Front of House in the preceding months, led by Fran Harris (our FOH Coordinator) supported by our Maintenance Officer, Rob Mullins, and this work received approval from the Risk Assessments sent to Leicester City Council.

Even though the theatre was closed we still needed a fully-functioning Office. Once the staff were furloughed in mid-April 2020, our Company Secretary Rob Thirlby ran all the office functions from home until September, quite a time-consuming job, after which Trustee Colin Hide stepped into the role of Temporary Premises Supervisor until May 2021. Rob and Colin undertook these duties in a voluntary capacity. Colin oversaw the day-to-day management of our building and several major maintenance projects. I would like to thank them both for their time and commitment during those periods. Trustees then appointed Mary Jayne Harding Scott as Temporary Theatre Manager until mid-July when Graham Muir became our newly appointed full-time Theatre Manager.

We were very fortunate in re-appointing John Bale as Head of Wardrobe and Costume Hire from April 12th 2021; John's skills and experience are proving invaluable to our productions.

In conclusion I would like to offer sincere thanks to my colleagues on the Board of Trustees who have supported me overseeing the day-to-day running of the theatre and work tirelessly to steer us through this difficult period. The Board have been meeting on Zoom twice a month during the period of this report as there has been so much to deal with.

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CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

I thank all our volunteer members for their help in the many areas of the theatre, both on and off-stage; our audiences and all our supporters, many of whom have made much-needed donations on a one-off or regular basis, or have joined our '200 Club'.

We are bouncing back after the Pandemic, we reach our 100th birthday in 2022 and we have plans for big celebrations, so please join us for them. A 'Centenary Book' will be available as part of these.

Mr A Crooks (Chairman)
Trustee

Date: 9 February 2022

THE LEICESTER DRAMA SOCIETY LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2021

The Board of Trustees (the "Board"), who are directors of the charitable company, has pleasure in submitting its annual report and the audited financial statements for the year ended 31 July 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 Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

OBJECTIVES AND ACTIVITIES

Objectives

The objectives and aims of the Society are to encourage the study and practice of dramatic art amongst the inhabitants of Leicester, Leicestershire, and elsewhere, and to promote and conduct theatrical and musical performances, lectures, concerts and such other educational enterprises as may tend to the attainment of this object. These objectives are set out in the governing document, which is its Memorandum and Articles of Association.

The strategies employed to achieve the Society's objects are to:

- present a broad range of productions for enjoyment and education;
- offer opportunities to a broad range of people to become involved in all aspects of the dramatic arts;
- provide facilities for amateur and professional artists to develop; and
- involve young people in the dramatic arts to help encourage a culture in which different age ranges play a complementary part.

The Society owns and operates a theatre in Leicester city centre. It markets its programme of productions under the banner of The Little Theatre (the "Theatre") and this is the name by which its patrons know it.

Activities

In developing its strategies and planning its activities for the year, the Board considered the Charity Commission's guidance on public benefit including the guidance on public benefit and fee charging. The artistic programme is planned so that across a full year it will cover a wide range of theatre, appealing to a broad audience. Particular regard is given to ticket-pricing, affordability, access and audience development through a range of discount ticket schemes and its £5 standby ticket scheme for young people aged 16-25. Careful consideration is given to the accessibility of the Theatre to those on low incomes, through concessions, free art exhibitions and, as part of new members' evenings, backstage tours. Free first year membership and free acting and technical training are also available to members.

The objectives and aims are achieved through the presentation of the Society's own artistic programme, the hiring of the Theatre to other amateur and professional visiting companies and the development of young people through a range of educational activities.

The Society sought to develop new members and audiences and deepen engagement through its actors' workshop programme, and by other activities both on-site and via social media. The Theatre

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

plans to host the Leicestershire and Rutland Drama Festival for the fourth year running. Local artistes and groups also featured in the Theatre's programme of fundraising events.

A significant contribution was made by volunteers to enable the Society to carry out its activities, mostly in the form of a pool of around 300 members who provided essential support across all areas of the theatre throughout the year.

Sadly, many of these planned activities were brought to a sudden halt on 17th March 2020. The Government restrictions imposed as a result of the coronavirus (COVID-19) pandemic resulted in the closure of the theatre to the public, and the theatre has only just been able to tentatively reopen during May and June 2021.

ACHIEVEMENTS AND PERFORMANCE

In the summer of 2020, with our theatre closed since March, our planned productions for 2020-21 cancelled or postponed, and with no sign when it would be safe to fully open again, we put our minds to activities for our membership to underline the fact that we had every desire to open up for business just as soon as we safely could. It was always our intention to only postpone productions, and every effort would be made to find slots for those shows in our new season whenever that might be. Some had already been designed and cast. One of those would certainly be our grand family pantomime of Cinderella, which had already sold well in its original December 2020 slot, and another would be our final show before lockdown, which was Blue Stockings, with only one performance under its belt when the doors were closed and the shutters came down.

At first it seemed impossible to think of staging anything that required full rehearsals with a cast working in a rehearsal room. That would not have been a safe way to go. Approaching Christmas 2020 we decided to utilise the excellent musical talent in the Society and stage a musical evening entitled We Need a 'Little' Christmas, for it could be done with those taking part rehearsing their numbers at home and only coming together for one socially distanced rehearsal onstage immediately prior to the performance. Unfortunately, due to the increasing Covid numbers and nationwide concerns, this was another show that finally had to be cancelled. At the time our thoughts were that the show could easily be titled "We Need a 'Little' Easter" or whatever the festival.

One of our quiz-fan members organised a few Zoom quizzes which were much enjoyed and another member wrote her own adaptation of the Mary Webb novel Precious Bane, which was cast and rehearsed online with the intention of sometime presenting it as a bar evening whenever Covid restrictions allowed.

When Covid news finally started to improve, and restrictions were lifting, it was decided to stage a programme of shows in the main house in the summer of 2021, socially distanced of course, which were designed to encourage our loyal patrons to return. The Christmas musical evening now became Spread a 'Little' Happiness with a little restructuring, and Precious Bane, which had its bar evening, and made it on to the stage of the main house for one performance. Class, a production from the last studio season also made it to the main stage for a run of five performances.

To bring this unusually short season to a close for the summer, the trustee board decided to stage Chariots of Fire, an adaptation of the popular British film. It was felt that the large cast it required would be just the thing for encouraging our acting membership to get back into harness.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

And so, we weathered the rest of the 2020-21 season after lockdown in a way far from anticipated when we began it the previous September. Although we are certainly not out of the Covid woods yet, we are primed and ready and looking forward to embarking on a brand-new season 2021-22, which will be allowing Blue Stockings to finish the run it began well over a year before.

Table 1: Main House Productions: 99th Season (2020-21)					
Dates	Title	Author(s)	Performances	Attendance ***	Audience %
22 & 24-27 May 2021	Spread a 'Little' Happiness *	Devised by John Ghent	5	343	76%
5 June 2021	Precious Bane **	Mary Webb (adapted by Katy Weaver)	1	21	23%
15-19 June 2021	Class	Iseult Golden & David Horan	5	257	57%
12-17 July 2021	Chariots of Fire	Mike Bartlett	7	516	92%
TOTAL			18	1137	73%

* The opening production after 15 months' closure due to the Covid-19 pandemic.

** A rehearsed reading.

*** Seating for all these productions was 'socially distanced' with capacity around 90 (80 for Chariots of Fire).

Due to the Covid-19 pandemic there were no performances in the Haywood Studio during 2020-21.

Special Events and Fundraisers

The Society usually presents a varied programme of special events and fundraising shows during the season (Table 2) featuring both amateur and professional artists. During this very strange season, two or three such events were planned but did not reach the stage. Then the Society was approached by Graham Fellows who was seeking a venue for the première of a documentary film. Leicester Comedy Festival in February 2021 was entirely 'virtual' and the Society was not able to take part.

Table 2: Special Events: 99th Season (2020-21)					
Date	Title	Note	Performances	Tickets Sold	Audience %
2 July 2021	Father Earth *	Première of this documentary film by Graham Fellows	1	75	83%
3 July 2021	One Act Play Festival	National semi-finals	2	86	48%
TOTAL			3	151	56%

* Seating for these productions was 'socially distanced' with capacity of around 90.

Workshops

Thursday Workshop: The Society's weekly workshop for members exploring a range of performance disciplines remained closed until the autumn of 2021.

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FOR THE YEAR ENDED 31 JULY 2021

The Values Scheme: Run by Voluntary Action Leicestershire, these drama groups for people with learning difficulties remained closed until the autumn of 2021.

Youth Theatre

The Society's Youth Theatre groups for eight- to eighteen-year-olds remained closed until late in September 2021.

Facilities

The Facilities Team is responsible for the maintenance of the Theatre's premises, overseeing the running of the Costume Hire Department, the licensed public Bar, the Box Office, Front of House, and other areas that affect the operation of the Theatre as a public venue, including health and safety. Its goal is to streamline operations in order to maximise the Society's limited resources. This year, however, activity has been different, with the focus switching to cost reduction and essential maintenance only during the theatre's period of forced closure.

Now that the Society employs fewer staff, more of our activity has to be accomplished by volunteer members, supported by contractors when essential. We have taken the opportunity to complete many long outstanding upgrade tasks that are difficult to complete when the theatre is operating with a busy performance schedule. We have upgraded the paint-shop facilities, the Theatre office/Box office telephone systems, and installed a much needed, safety rail on the grid above the stage. Wi-Fi throughout the theatre and rehearsal rooms has been improved. The focus on maintenance of our emergency lighting system has brought that to a standard that we have never achieved before, mainly thanks to Ian Connor for carrying out all that work. Display lighting has been installed in the Upper Foyer and several areas have been decorated. Further upgrades in many areas have been planned.

An Asbestos survey revealed that we still had a small amount of asbestos insulation on the premises. This was removed by specialist contractors and we think that we are now completely clear of this hazard.

As a theatre, we have a lot (hundreds of items) of lifting equipment which is regulated under Health and Safety Rules, the break in our normal operations meant tests had been missed and documents were missing. We have now restored the system to a good working level.

The change to a volunteer run and bottle-only bar has brought a need to adjust how we operate this important facility. We thank Mary Jayne Harding Scott who undertook the huge task of re-organising and deep cleaning the bar counter and store, organising the removal of the dispensing taps and preparing the initial bar volunteers. As audience numbers gradually increase, we will have to learn quickly and adjust our processes to suit. We are still learning just how many bottles are moved, poured, emptied and binned during the course of a show night. The recently installed Contactless payment system seems to be working well for us and bar volunteers are gradually gaining experience with this.

Alongside the bar and front of house, the office will move towards contactless payment, discouraging the use of cash by audience members. This is firmly in line with government guidelines on minimising contact during Covid-19, and as such it was felt to be timely to implement this change, with most people now using contactless payment by default.

The theatre's main entrance doors have been upgraded. The electrically-operated doors provide a greater degree of flexibility and safety, and will allow less person-to-surface contact at a pinch-point in

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

the venue. We now operate our venue without a specific door person helping the FOH team. This results in some minor changes to how bar users leave our building after closing time.

For re-opening, to meet the Government guidelines for safe operation of a venue under Covid-19 conditions, we instigated a thorough and complicated regime of sanitisation. Early every day, the office, auditorium, workshops, kitchen, toilets, studio and FOH areas were treated by fogging. Hand gel points were added at many points around the building and topped-up daily. Rob Mullins dedicated several hours a day to this work for many months. Carpets in the bar, auditorium and foyer were cleaned and the whole building deep cleaned. To enable productions to take place in the main house we also had to install air management systems in the lighting and sound box and ensure that our auditorium air management system was always turned on. All of these measures had to be declared and inspected by the Local Authority before we could open.

A significant part of the cost of all this cleaning, protecting and upgrading was met by grants that we received. Members of the Society worked diligently and long hours to complete grant applications which when won, allowed us to undertake this work.

The facilities team also continued to look after the weekly lettings of the Theatre to local amateur operatic/musical groups and its use by other organisations. During the 2020-21 financial year the Theatre was hired by the Leicestershire and Rutland All England Play Festival to host the National Semi-Finals of their competition. None of the regular Operatic Letting societies were in a position to mount a production in the 20-21 season but should be back with us next season (21-22).

The 2020-21 season was a challenge for the Society as a whole. For the facilities team, it meant concentrating on opening the venue safely while putting many projects for improving the buildings on the back burner at a time of reduced income. With few employed staff, the process of ensuring that the venue is secure in terms of safety, fire, evacuation and security falls on volunteers: therefore, all offers of help will be gratefully received!

Due to the closure of the theatre from March 2020 until May 2021 there were no productions by hirers of The Little Theatre.

The Theatre was open as a venue for 21 performances (2019-20: 113 performances). For details, please see Table 3.

Table 3: Total Performances in the Theatre: 2020-21	
Company	Performances
Main House Productions by the Society	18
Special Events, Comedy Festival and Fundraisers	3
TOTAL	21

Front of House

It has been a very testing year for Front of House as several members chose to stay away immediately due to Covid whilst others remained to see if they would feel safe with all the protection we had put into place. As the months have gone on others have left for either their health or elderly family safety. Fortunately, we have taken on some new members and they are very keen.

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FOR THE YEAR ENDED 31 JULY 2021

All the existing volunteers were put through an update safety programme which took several weeks as we could only train the limited number allowed at any one time. Safety measures were put into force throughout front of house including a one-way system.

Sanitiser units are still in place and are well used. All handrails have been coated in Trust Shield which has saved staff sanitising three times for each performance. Other sanitation is still in place. The protection shields have remained on the front desk for staff protection. Temperatures were taken by the first aid staff and the Track and Trace QR, complete with manual forms, was used by all visitors. Although not compulsory, the QR and forms have remained for visitors use. Masks are not now required, but we do provide them for anyone wishing to use them and they have been well received.

Initially we had to cover the extra jobs necessary by increasing the number of members on duty per show but have now returned to our usual quota. Since reopening on 22nd May 2021, we have covered 2 shows, 1 radio play, 1 play and 2 specials.

In addition to the preparation and overseeing of all front of house rotas, first aiders have been included so that we know who should be on duty. This is to plan ahead so that coverage can be provided for last minute absenteeism.

Costume Hire

The Costume Hire Department, located in premises owned by the Society in Albion Street closed on 17th March 2020 and has remained closed. When John Bale, Head of Wardrobe, returned to work in April 2021 he spent some time tidying and sorting through the costume stock, the laundry room and the sewing area.

Marketing

Throughout the period of forced closure for the theatre, marketing efforts switched from promoting shows to communicating with the membership to try to keep them informed of developments. The use of social media increased in order to achieve this, along with ensuring that the membership newsletter Scene was produced on time and contained information on the current situation. We also introduced a new podcast, where trustees and others who could be active during the pandemic contributed to an entertaining and informative format aimed at keeping members, and the wider theatrical community in Leicester, involved and informed. In addition, we introduced a new regular monthly email newsletter to anyone who had purchased a ticket from the theatre in the last two years (over 11,000), with news about forthcoming shows and the situation with re-opening.

The pandemic affected the marketing team significantly, with several long-standing members deciding to step back from involvement. This has resulted in fewer active members carrying out more work. However, since re-opening, the diminished marketing team has managed to undertake much the same activities, although severely limited in terms of advertising budget available. The major budget spend was on the season programme, an A5 booklet which was distributed county-wide with 11,000 copies in 'what's on' displays.

The use of video trailers for shows has continued, with all shows since May having been promoted with a video through social media. Facebook and Twitter have been used extensively, with a small budget being available to 'boost' posts to a wider audience. We have introduced additional resources on our website for members so that they can help promote shows by downloading copies of posters, a press release and graphics for social media use; and each show is now previewed in more depth on the

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

website to encourage more ticket sales through a better understanding of a show. Video has also been used on newly-installed screens in the theatre to promote forthcoming shows and inform patrons about other aspects of the society's work.

The marketing team has also been responsible for designing and producing all theatre posters, flyers and programmes, fortunately with design being provided free of charge. The team has also helped out in promoting other theatre activities, such as Tuesday Connection and in trying to encourage new members to join the society. In addition, we have assisted in promoting visiting shows, including local society lets and visiting companies.

Since May 2021 we have reinstated arranging an independent review of each show staged by the LDS, with the aim partly of promoting a show (the review is published the day after the first performance), and partly so that those involved in a production have feedback on it. The team is also looking at getting reviews posted more widely.

Where marketing has struggled is in achieving coverage in the local media, with newspaper and radio in particular seemingly being uninterested; perhaps that is explained by the fact that few local newspapers are truly local now, most being syndicates, and there are other issues that have obviously taken up the column inches. Local online media has been responsive, however, but there is more work to be done in getting a wider media interested in the theatre once more.

The year has been a challenging one for the marketing team, with a period of there being little to market followed by an expectation that things post-pandemic will 'go back to normal'. It is clear that that is far from the case, with some audience reluctant to return to public spaces while Covid persists. There are signs that that is now changing (the 2021 pantomime sales are at 80% capacity at the time of writing, which is very encouraging), but it does make marketing to an audience that is virus-wary doubly difficult, especially when budgets are virtually non-existent (spending on advertising is not an option at the moment).

Membership

Membership numbers declined somewhat to around 300 during the year as the society was unable to operate normally, including new members evenings, for most of the year and the lack of office staff meant that no routine reminders of subscription expiries were sent. An enthusiastic volunteer has taken over this function for the financial year 21-22 and numbers are improving.

Backstage Co-ordination

As our re-opening was not possible until May, and with restrictions in place before then, members of the backstage team found themselves unable to work in the building for a time. They have since caught up with the routine maintenance that was postponed.

The set for Spread a 'Little' Happiness was built for a December opening date, but Lockdown postponed that until May. Careful planning of the use of the backstage areas to give each artist a dedicated 'dressing room' space was needed, and this continued with the larger cast of Chariots of Fire.

Just 18 drama performances of all kinds were possible before the end of July, plus one film screening and the Leicestershire and Rutland One Act Play Festival.

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TRUSTEES' REPORT (CONTINUED)

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The technical team is required to staff at least 4 dress / technical rehearsals for each LDS play and is responsible for the building and dismantling of the sets for each of them, as well as the overall Health and Safety of backstage members.

IT Matters

One of the larger IT projects during the 2020-21 period was the update of the society's telephone system whereby the old system has been upgraded to an internet-based system. The upgrade has enabled us to achieve a greater flexibility of the system and reduced operational costs of our telephone system.

During the year we have also commissioned a brand-new local area network across the Dover Street site, which has enabled much wider and quicker internet and data communication around the building. The new network has also enabled better Wi-Fi coverage for devices, staff, cast, crews, and audiences. During this process, the main internet connection has been upgraded for faster connectivity to the outside world.

The society's new network has also allowed investment in the Square point-of-sale system for taking card payments from customers around the theatre including the bar and auditorium. We have also taken the opportunity to improve our understanding of our door access control system which is also networked.

We have also undertaken several smaller projects to improve the society's IT systems and security including the introduction of a secure password vault for IT and trustees. All the key business domains have also been renewed to their supported maximum to protect our brand. We have also upgraded the computers in the office to improve productivity and future-proof our systems.

FINANCIAL REVIEW

The results for the year ended 31 July 2021 are shown in the Statement of Financial Activities on page 22. This, together with the balance sheet on pages 23 - 24 should be read in conjunction with the related notes in accordance with the Charities SORP (FRS 102).

Total income for the year amounted to £341,775 (2020 - £600,973). The principal funding source was grant income. Total expenditure for the year amounted to £180,313 (2020 - £634,947). A breakdown of expenditure is set out in notes to the financial statements.

After transfers between funds there was a surplus on general funds for the year totalling £98,209, a surplus on designated funds totalling £5,310 and a surplus on restricted funds totalling £57,943. This has resulted in a total increase in funds for the year of £161,462. The funds for the charity at the year-end totalled £899,746 which comprise general funds of £655,645, designated funds of £76,554 and restricted funds of £167,547.

Reserves

As is the policy, shows are chosen to maintain a level of box office income sufficient, with profits from ancillary activities, to cover running costs and maintain the infrastructure of the premises. Any surplus is used to finance improvements or build reserves. Cash reserves are kept at a prudent level for unplanned contingencies.

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TRUSTEES' REPORT (CONTINUED)

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It is the long-term policy of the board of trustees to maintain free reserves (unrestricted funds less tangible fixed assets less amounts held in designated funds) at approximately £55,000, to cover expenditure based on a 12-month period of 60% sale rates for LDS plays. For the year ended 31 July 2021 the charity's reserves totalled £899,746 (2020 - £738,284), of which £732,199 (2020 - £628,680) are unrestricted, and £167,547 (2020 - £109,604) are restricted. Unrestricted reserves excluding fixed assets and amounts held in designated funds, which are freely available for the charity to use, totalled £60,744 (2020 - £3,458). The charity's reserves increased in this period, despite the Covid-19 pandemic, due to the support of the Arts Council.

COVID-19

The closure of the theatre to the public in March 2020 has had a significant impact on the charity.

The charity has and will continue to monitor the situation and take action as appropriate to try and mitigate the impact of this closure. Grants totalling £265,525 have been recognised during the financial year as part of the economic response to the pandemic. During the year, the charity also took out a loan of £50,000, which is interest free for the first year, as part of the Bounce Back Loan Scheme. The charity also made use of the Coronavirus Job Retention Scheme with most staff being made redundant. These measures and the ongoing support of the public has allowed the charity to continue operating.

The trustees have prepared forecasts for the period ended 31 July 2022 which incorporate the above measures. Based on these forecasts and the reduction in staffing levels during the year, the trustees are of the opinion that the charity will continue operating for at least 12 months from the date of approval of these financial statements.

On this basis, the trustees consider it appropriate to prepare the financial statements on the going concern basis.

Investment Powers and Policy

The Society continues to invest in interest bearing accounts with the aim of maximising interest earned balanced against investment risk. Accounts are currently held in low-risk funds with the CCLA COIF Charities Investment Fund and the Charity Aid Foundation but the state of the financial markets mean interest rates are less than 1%.

Principal Risks and Uncertainties

The Trustees have identified and reviewed the major risks to which the society is exposed and documented these in a comprehensive risk register. The Trustees have adopted the risk register as part of their risk management strategy and have established systems and procedures to mitigate the risks identified in the risk register.

The coronavirus (Covid-19) pandemic is still considered to be a principal risk to the charity because the virus is still in general circulation and Government restrictions could easily be re-imposed. The general public also continues to remain cautious in attending indoor events due to the prevalence of the virus.

The Trustees are mindful of their duty of care towards the Society's employees and its many volunteer members. The Society has in place Sickness Absence, Equal Opportunities, Harassment / Bullying, Health & Safety, Retirement, Whistleblowing, Data Protection and Working Alone Policies. It also has Capability, Grievance and Disciplinary Procedures, Disciplinary Rules and Policy Statements on the

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TRUSTEES' REPORT (CONTINUED)

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Recruitment of Ex-Offenders and on the Secure Storage, Handling, Use, Retention and Disposal of Disclosures and Disclosure Information.

As part of the Society's commitment to safeguard and promote the welfare of children, young people and vulnerable adults involved in its activities, it has in place a Child Protection Policy and a Policy on the Protection of Vulnerable Adults. The Trustees have also issued Guidelines on Appropriate Contact and Instructions on Managing Behaviour and Acceptable Restraint. Disclosure and Barring Service checks are required for those who work with children on the Society's behalf.

The Society's policies and procedures together with the Terms and Conditions of Employment are reviewed annually by the Trustees to ensure that the provisions of them continue to meet the Society's legal obligations and reflect best practice.

The Society is a member of the Little Theatre Guild of Great Britain which provides advice, training opportunities for members, and national and local contacts within the entertainment industry.

The Society takes advice from Legal and Professional external bodies when appropriate.

PLANS FOR THE FUTURE

The Society will aim to re-open the theatre as soon as practically possible and to work towards a return to its full artistic programme and range of activities. The Society will then continue its capital development plans.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Society is a leading amateur drama organisation. It is a company limited by guarantee and a registered charity. It was founded in 1922 and incorporated in September 1932. It is governed by its Memorandum and Articles of Association.

The Board

The Board is the unpaid governing body of the Society. It ensures that the Society's work remains of the highest quality, and that it is managed efficiently and cost-effectively. Board members are both directors of the company and charity trustees and under company and charity law are responsible for policy, administration and general control. The Board delegates the day-to-day management of the Society to Operating Teams and senior management which included:

MJ Harding Scott – May to July 2021

G Muir – from July 2021

J Bale – from April 2021

JA Harding

L Thirlby

The frequency of Board meetings was increased to fortnightly in April 2020 and this continued until June 2021 when monthly meetings resumed. During the year the Board met 22 times to ensure they were maintaining effective control over strategic, financial, organisational and compliance issues. Operating teams did not meet during the period of closure except for the Productions Team which continued to meet occasionally via Zoom.

THE LEICESTER DRAMA SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Board Membership

The Articles of Association provide for the election of members to up to twelve roles on the Board with the responsibilities shown in Table 4.

Table 4: Roles
Honorary Secretary Elect
Honorary Treasurer Elect
Trustee with responsibility for the Facilities Team
Trustee with responsibility for the Marketing Team
Trustee with responsibility for Membership
Trustee with responsibility for the Productions Teams
Trustee with responsibility for the Technical (Backstage Co-ordination) Team
Trustee with responsibility for Outreach
Trustee with responsibility for Front-of-House
Trustee with responsibility for the Studio
Trustee without specific responsibility

Two of these roles, Honorary Secretary Elect and Honorary Treasurer Elect, shadow the existing post-holders without being charity trustees or company directors themselves for a period of up to twelve months before those post holders leave office and, subject to approval by the Trustees, they assume trusteeship and directorship as Honorary Secretary or Honorary Treasurer.

Trustees serve an initial term of three years. They may be re-elected for a second term of up to three years. Nominations for such of the roles as are due for election are sought prior to each Annual General Meeting (AGM). An election takes place at the AGM.

Anyone can become a member of the Society and acquire the right to vote at AGMs. Details relating to membership are set out in the Byelaws. The liability of the members is limited to a guarantee of an amount not exceeding £1 per member in the event of an insolvent winding-up of the Society.

Trustees who served during the year are listed in Table 5, together with the number of Board meetings that they attended.

Table 5: Trustees			Attendance	Retires
Honorary Secretary	Mrs V M Jones		21 / 22	2025
Honorary Treasurer	Mr C.J. Moss	(resigned 30 January 2021)	20 / 22	2024
Trustee for Productions	Mr J D Ghent		22 / 22	2022
Trustee for Facilities	Mr. M. G. Scott	(co-opted 28 th March 2021)	6 / 6	2022
Trustee for Facilities	Mr. J.B. Thompson	(from 15 th March 2020)	17 / 22	2023
Trustee for Marketing	Mr. J.B. Thompson	(from 28 th March 2021)		

THE LEICESTER DRAMA SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Trustee for Membership		(Vacancy)		
Technical Trustee	Mr A Crooks	(Chairman from 29 th March 2020)	22 / 22	2023
Trustee without specific responsibility	Mr S J Dickens		21 / 22	2022
Trustee for Outreach	Mr. C.P. Hide	(resigned June 2021)	19 / 20	
Trustee for Front-of-House	Ms F.V.E. Harris		22 / 22	2022
Trustee for the Studio	Mr. R.S. Hughes		17 / 22	2023
Trustee and Company Secretary	Mr. R. Thirlby	(co-opted as a Trustee in July 2020)	21 / 22	2022
Development Programme Director	Professor J.A. Harding	(co-opted as a Trustee in June 2021, resigned September 2021)	2 / 2	2022

Because of lockdown restrictions relating to the Covid-19 Pandemic, no Annual General Meeting was held in 2021. Mr. J.D. Ghent and Mr. S.J. Dickens, who completed 3 years' service in 2021, will therefore be eligible for re-election in 2022 for a further two years, rather than three. Ms. F.V.E. Harris, who was elected for 1 year in 2020 and completed this in 2021, will be eligible for election for a further 1 year.

In March 2021, Mr. J.B. Thompson agreed to move from the post of Trustee for Facilities to that of Trustee for Marketing, and in April 2021 Mr. M.G. Scott was co-opted as Trustee for Facilities. He will be eligible for election in March 2022.

At the Board meeting on 29th March 2020, the Board co-opted Professor J.A. Harding to the Board (without Trustee Voting Rights) as Development Programme Director for another year. In June 2021 she was appointed a Trustee with voting rights, before resigning in September 2021.

All new Trustees have access (via Teams and the Website) to the Society's Trustee Handbook comprising the Memorandum and Articles of Association and other key documents. There is a formal 'Roles of the Trustees and Operating Teams' document that sets out what the Society itself expects of Trustees. Trustees are currently drawn only from the membership. As such they will be familiar with the Society and are likely to have been involved with the Society for many years. The Board encourages Trustees to familiarise themselves with aspects of the organisation that they may not know so well, in particular the roles of the permanent staff.

In their meetings, the Trustees were assisted by a Company Secretary. An appointment to the post of Company Secretary is made annually by the Trustees. Mr R Thirlby was re-appointed to this role on 29th March 2020. The Company Secretary is a member of the Society but is not a company director or charity trustee, however in order to assist his dealings with companies and other organisations during the current crisis Mr Thirlby was co-opted to the Board in July 2020 until the next AGM. Mrs L Thirlby (senior management) has fulfilled the role of Minutes Secretary since 31st March 2019.

Operating Teams

The Board concerns itself with longer term strategic issues and the Operating Teams with day-to-day operational issues within policies and resources determined by the Board.

THE LEICESTER DRAMA SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

The Operating Teams have the following broad objectives.

- Productions: this team is responsible for furthering the artistic reputation of the Society by planning and implementing a programme of plays and ensuring their efficient and effective management.
- Facilities: this team is responsible for the day-to-day operation of the Theatre as a public venue.
- Marketing: this team is responsible for the promotion of the Theatre's programme of plays and shows and the promotion of the Society in the wider community.
- Membership: this team is responsible for the recruitment and retention of the Society's members and for encouraging participation in the Theatre.
- Backstage Co-ordination: this team is responsible for co-ordinating the staffing of shows and planning of closed-season work.

The Trustees review teams' objectives and budgets annually.

Operating Team Membership.

Members of the Operating Teams are subject to proposal and election by the members following the AGM. Operating team members are elected to serve for a two-year term with effect from 1 August in the year they are elected, except for members of the backstage co-ordination Team who are all elected annually. All Operating team members may stand for a second term.

Operating Teams ceased to meet after the theatre closed on 17th March 2020. No elections have been held for the year 2020-21. Elections will be held for the year 2022-23.

Employees and Volunteers

Table 6(a) shows the employees in post at the start of the financial year. The Society took full advantage of the Government's furlough scheme for its full- and part-time employees. Redundancy consultations began in July 2020 and most were made redundant at the end of October 2020. The part-time payroll clerk was made redundant at the end of November. The Maintenance Officer was kept on in his part-time role to look after the maintenance and security of our buildings throughout the closure period.

Table 6(a): Employees & Casual Workers – at the start of the financial year	Full-time	Part-time	Full-time equivalents
Administrative & Box Office staff			
Theatre Manager & Premises Supervisor (Philip Royley)	1		
Deputy Theatre Manager & Box Office Manager (Richard Dixon)	1		
Administrative Assistant (Colin Bowles)		1	
Payroll Clerk (Hayden Ayres)		1	
Caretaker / Handyman (Robert Mullins)		1	3.1
Production Staff			
Stage:			
Production and Workshop Manager (Anna Field)	1		
Scenic Artist and Workshop Assistant (Lynsey Brecknell)	1		2
Wardrobe			
Costume Designer & Head of Wardrobe (John Bale)	1		

THE LEICESTER DRAMA SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Wardrobe Assistant – Design & Making (Christine Bradley)		1	
Wardrobe Assistant – Stock & Hire (Karen Gordon)		1	2.5
Youth Theatre			
Youth Theatre Leader (Paul Phillips)		1	
Youth Theatre Assistant (Paige Bradshaw)		1	0.5
Total	5	7	10.1

As the Society moved towards re-opening the theatre in the Spring of 2021, three full-time staff were sought: a Theatre Manager, a Head of Wardrobe and a Production Manager. At the end of July 2021, the staff listed in Table 6(b) had been appointed.

Table 6(b): Employees & Casual Workers – at the end of the financial year	Full-time	Part-time	Full-time equivalents
Administrative & Box Office staff			
Acting Theatre Manager & Premises Supervisor (Mary Jayne Harding Scott) (from 10 th May – 15 th July 2021)	1		
Theatre Manager & Premises Supervisor (Graham Muir) (from 12 th July 2021)	1		
Maintenance Officer (Rob Mullins)		1	
Production Staff			
Wardrobe			
Costume Designer & Head of Wardrobe (John Bale) (from 12 th April 2021)	1		
Total	3	1	2.5

Freelance staff

Just three freelance staff were used between August 2020 and the end of July 2021 for the production of Chariots of Fire.

Table 7: Freelance staff
Kevin Jenkins (Scenic Designer)
Lynsey Brecknell (Scenic Artist)
Jon Brookes (Stage Carpenter)

The Society also needs the hard work, enthusiasm and dedication of a large number of members if it is to continue to thrive. The Society's Main House productions commonly involve over 90 members of the Society. These include director, cast, stage crew, lighting crew, sound crew, wardrobe, front of house and box office staff. Society members also support studio productions, special events and fundraisers.

Society members are also busy with a wide variety of tasks which help with the management and organisation of a busy venue and with recruiting, retaining training and encouraging new members of the Society. The Society has about 300 members, and many contribute to the work of two or three of the Theatre's 'departments', during daytime or evenings.

THE LEICESTER DRAMA SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

During closure our members have been very supportive and pro-active in initiating fund-raising and organising on-line activities to maintain members' interest and keep them connected. A Go Fund Me initiative was launched by Jonathan Barnes via Facebook which raised approximately £1,200 during the year. A major campaign was launched, mainly driven by Debbie Morse, to raise funds to ensure the survival of the theatre in the absence of any significant income. This involved an email-shot to many thousands of patrons who had recently booked seats encouraging them to donate on a monthly basis for a year. This initiative has raised over £21,000 including gift aid during the year end. Many of these donations are monthly commitments and will shortly expire, steps are being taken to ask the donors to renew their commitments where possible. This was followed up with a paper-mail based appeal to some of those patrons who do not have email, the costs being met through generous sponsorship by Optical3 of Anstey. This has raised approximately £1,600 during the year.

The overall total for donations to the general fund for the year was over £35,000.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of The Leicester Drama Society Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution for the reappointment of Newby Castleman LLP as auditors of the company will be proposed at the forthcoming Annual General Meeting.

THE LEICESTER DRAMA SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Funds held as custodian trustee

The charity and its trustees are not acting as custodian trustees.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Mr A Crooks (Chairman)
Trustee

On behalf of the Board of Trustees

Mr R Thirlby
Trustee

Date: 9 February 2022

THE LEICESTER DRAMA SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE LEICESTER DRAMA SOCIETY LIMITED

Opinion

We have audited the financial statements of The Leicester Drama Society Limited (the 'charitable company') for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE LEICESTER DRAMA SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE LEICESTER DRAMA SOCIETY LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. However, responsibility for the prevention and detection of fraud ultimately rests with both those charged with governance and management of the charitable company.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company by considering the nature of the industry in which the charitable company operates and enquiring of management; and
- identifying the key laws and regulations considered to have a direct impact on the financial statements including the UK Companies Act 2006, UK Charities Act 2011, UK Generally Accepted Accounting Practice and UK tax legislation. Other regulations identified which were not considered to have a direct impact on the financial statements but which were considered central to the ability of the charitable company to operate were the Licensing Act 2003; and

THE LEICESTER DRAMA SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE LEICESTER DRAMA SOCIETY LIMITED

- assessing how the charitable company is complying with the applicable legal and regulatory framework by making further enquiries of management and observing the company's control environment regarding compliance with regulations and fraud prevention; and
- assessing the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by considering the effectiveness of the charitable company's accounting systems and controls and how these were monitored by management. Where the risk of material misstatement was considered to be higher in certain areas, further audit procedures were designed to address this increased risk; and
- discussing amongst the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud.

Audit response to risks of irregularities identified

Our procedures to respond to risks identified included the following:

- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- enquiry of charitable company staff responsible for compliance to identify any instances of non-compliance with laws and regulations; and
- enquiry of management, those charged with governance and other relevant parties around actual and potential litigation claims; and
- reviewing supporting documentation regarding actual and potential litigation claims; and
- reviewing minutes of meetings of those charged with governance; and
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- communicating identified laws and regulations and potential fraud risks to all engagement team members and assessing whether there are any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Newby Castleman LLP

Chartered Accountants
Statutory Auditor
West Walk Building
110 Regent Road
Leicester
LE1 7LT

9 February 2022

Newby Castleman LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE LEICESTER DRAMA SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted funds general £	designated £	Restricted funds £	Total 2021 £	Total 2020 £
Income from						
Donations and legacies	3	69,720	6,420	233,011	309,151	140,930
Charitable activities	4	20,619	-	-	20,619	442,547
Other trading activities	5	4,105	-	-	4,105	8,261
Investments	6	7,900	-	-	7,900	9,235
Total		102,344	6,420	233,011	341,775	600,973
Expenditure on						
Raising funds	7	315	1,110	-	1,425	1,649
Charitable activities	8	55,532	-	123,356	178,888	499,726
Other	11	-	-	-	-	133,572
Total		55,847	1,110	123,356	180,313	634,947
Net income/(expenditure)		46,497	5,310	109,655	161,462	(33,974)
Transfers between funds		51,712	-	(51,712)	-	-
Net movement in funds		98,209	5,310	57,943	161,462	(33,974)
Reconciliation of funds						
Total funds brought forward		557,436	71,244	109,604	738,284	772,258
Total funds carried forward		655,645	76,554	167,547	899,746	738,284

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

All income and expenditure derive from continuing activities.

THE LEICESTER DRAMA SOCIETY LIMITED

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	14		677,861		636,715
Current assets					
Stocks	15	2,552		3,379	
Debtors	16	31,647		18,994	
Cash at bank and in hand		343,267		282,914	
		<u>377,466</u>		<u>305,287</u>	
Liabilities					
Creditors: amounts falling due within one year	17	(113,914)		(203,718)	
Net current assets			263,552		101,569
Total assets less current liabilities			<u>941,413</u>		<u>738,284</u>
Creditors: amounts falling due after more than one year	18		(41,667)		-
Net assets			<u>899,746</u>		<u>738,284</u>
Total funds of the charity					
Restricted funds	22	167,547		109,604	
Unrestricted designated funds	23	76,554		71,244	
Unrestricted general funds	23	655,645		557,436	
Total charity funds		<u>899,746</u>		<u>738,284</u>	

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

For the year ending 31 July 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

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 with accordance with section 476.

THE LEICESTER DRAMA SOCIETY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2021

The financial statements were approved and authorised for issue by the board of trustees on 9 February 2022 and are signed on its behalf by:

Mr A Crooks (Chairman)
Trustee

Mr R Thirlby
Trustee

Company Registration No. 00268828

The notes on pages 26 - 41 form part of these financial statements.

THE LEICESTER DRAMA SOCIETY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	30		66,297		12,684
Investing activities					
Purchase of tangible fixed assets		(63,844)		(18,397)	
Investment income received		7,900		9,235	
Net cash used in investing activities			(55,944)		(9,162)
Financing activities					
Proceeds of new bank loans		50,000		-	
Net cash generated from/(used in) financing activities			50,000		-
Net increase in cash and cash equivalents			60,353		3,522
Cash and cash equivalents at beginning of year			282,914		279,392
Cash and cash equivalents at end of year			343,267		282,914

THE LEICESTER DRAMA SOCIETY LIMITED

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

1 Accounting policies

Charity information

The Leicester Drama Society Limited is a private company limited by guarantee incorporated in England and Wales. The address of the registered office and place of business is given in the legal and administrative information page of these financial statements. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.1 Basis of preparation

The charity is a public benefit entity as defined by FRS102. These financial statements have been prepared in accordance with: The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), Accounting and Reporting by Charities: the Statement of Recommended Practice for charities applying FRS 102 (2019), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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. These policies have been consistently applied to all years presented unless otherwise stated.

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. More detail is included in the Trustees' Report on how the Coronavirus (COVID-19) pandemic has impacted the charity and the measures the trustees have taken to try and mitigate its impact.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds are unrestricted funds of the charity that the trustees have decided at their discretion to set aside for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income recognition

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.

Government grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured with reliability. If entitlement is not met, then the amounts are deferred.

THE LEICESTER DRAMA SOCIETY LIMITED

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

1 Accounting policies

(Continued)

Income from charitable activities comprises box office performance income, front of house income, bar sales, costume hire and youth theatre subscriptions. Income from performances is recognised in the period in which the relevant performance takes place. Income is deferred when ticket sales are received in advance of the performance of events to which they relate. Income from subscriptions is recognised over the period which it relates. Otherwise income is recognised at the point of sale.

Income from trading activities includes income earned from membership subscriptions and sponsorships. Income from subscriptions is recognised to the extent that this relates to the current period, with the remainder being deferred.

Investment income is earned through holding assets for investment purposes. It comprises car park rental income and interest receivable which are recognised on an accruals basis.

1.5 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Expenditure is recognised when there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It is recognised under the following headings:

- Costs of raising funds includes costs incurred in seeking donations, legacies, grants and fundraising.
- Expenditure on charitable activities notably includes costs to further the delivery of the objectives of the charity.

Irrecoverable VAT is charged against the category of resources expensed for which it was incurred.

1.6 Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and costs of raising funds and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Support costs are allocated to charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 10.

1.7 Tangible fixed assets

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

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

Fixtures, fittings & equipment	Over 4 & 10 years on cost
--------------------------------	---------------------------

Freehold land, payments on account and assets in the course of construction are not depreciated.

No depreciation is provided on freehold land and buildings because the trustees consider the residual value of these assets to be higher than their carrying amount. This is a change in estimate in comparison to the previous period.

THE LEICESTER DRAMA SOCIETY LIMITED

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

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity 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, or the asset's cash generating unit, is estimated and compared to the carrying amount in order to determine the extent of the impairment loss (if any). Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Financial Activities ("SOFA") unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Stock comprises bar and front of house stock and pantomime lighting.

1.10 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.

1.11 Financial instruments

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

Debtors and creditors with no stated interest rate and receivable or payable within one year are measured at transaction price. Any losses arising from impairment are recognised in the SOFA.

1.12 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

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.

1.13 Retirement benefits

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

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.15 Taxation

The Leicester Drama Society Limited is a registered charity and no taxation provision is required as its income from charitable activities falls within the various exemptions available to registered charities.

THE LEICESTER DRAMA SOCIETY LIMITED

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

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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates.

Allocation of support costs

The allocation of support costs is sensitive to changes in the level of work undertaken on each activity by the charity. The allocation is reassessed annually and amended when necessary to reflect current estimates.

3 Income from donations and legacies

	Unrestricted general funds 2021 £	Unrestricted designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Donations	35,562	6,420	1,644	43,626
Grant income	34,158	-	231,367	265,525
	<u>69,720</u>	<u>6,420</u>	<u>233,011</u>	<u>309,151</u>
	Unrestricted general funds 2020 £	Unrestricted designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Donations	55,594	8,080	10,516	74,190
Grant income	25,000	-	41,740	66,740
	<u>80,594</u>	<u>8,080</u>	<u>52,256</u>	<u>140,930</u>

THE LEICESTER DRAMA SOCIETY LIMITED

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

4 Income from charitable activities

	Unrestricted general funds 2021 £	Total 2021 £	Unrestricted general funds 2020 £	Unrestricted designated funds 2020 £	Total 2020 £
Box office LDS shows	11,828	11,828	283,522	-	283,522
Box office special shows & Comedy Festival	1,543	1,543	38,142	12,838	50,980
Front of house	3,229	3,229	30,619	-	30,619
Bar	3,268	3,268	42,498	-	42,498
Lettings and costume hire	751	751	28,965	-	28,965
Youth theatre subscription	-	-	5,963	-	5,963
	<u>20,619</u>	<u>20,619</u>	<u>429,709</u>	<u>12,838</u>	<u>442,547</u>

5 Income from other trading activities

	Unrestricted general funds 2021 £	Total 2021 £	Unrestricted general funds 2020 £	Total 2020 £
Membership income	<u>4,105</u>	<u>4,105</u>	<u>8,261</u>	<u>8,261</u>

6 Income from investments

	Unrestricted general funds 2021 £	Total 2021 £	Unrestricted general funds 2020 £	Total 2020 £
Car park and rental income	7,869	7,869	8,754	8,754
Interest receivable	31	31	481	481
	<u>7,900</u>	<u>7,900</u>	<u>9,235</u>	<u>9,235</u>

THE LEICESTER DRAMA SOCIETY LIMITED

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

7 Expenditure on raising funds

	Unrestricted general funds 2021 £	Unrestricted designated funds 2021 £	Total 2021 £	Unrestricted general funds 2020 £	Total 2020 £
Membership schemes	315	1,110	1,425	1,649	1,649

8 Expenditure on charitable activities

	Activities undertaken directly Note 9 £	Support Costs Note 10 £	Total 2021 £	Total 2020 £
Production	79,121	65,407	144,528	412,937
Front of house	280	12,909	13,189	22,556
Bar	4,964	13,066	18,030	54,609
Lettings and costume hire	141	3,000	3,141	9,624
	84,506	94,382	178,888	499,726
Unrestricted general funds			55,532	489,746
Unrestricted designated funds			-	4,490
Restricted funds			123,356	5,490
			178,888	499,726

THE LEICESTER DRAMA SOCIETY LIMITED

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

9 Expenditure on activities undertaken directly

	Production	Front of house	Bar	Lettings and costume hire	Total 2021	Total 2020
	£	£	£	£	£	£
Staff costs	31,943	-	-	-	31,943	165,145
Depreciation	19,294	-	-	-	19,294	30,908
Box office admin	11,259	-	-	-	11,259	20,067
Direct production costs	13,419	-	-	-	13,419	68,063
Special show artistes	260	-	-	-	260	23,950
Marketing of shows	2,946	-	-	-	2,946	35,459
Front of house supplies	-	280	-	-	280	14,540
Bar supplies	-	-	4,964	-	4,964	25,568
Costume hire costs	-	-	-	141	141	171
	<u>79,121</u>	<u>280</u>	<u>4,964</u>	<u>141</u>	<u>84,506</u>	<u>383,871</u>

10 Expenditure on support costs

	2021 £	2020 £
Depreciation	3,404	5,455
Repairs and maintenance	17,155	12,053
Rent and rates	1,501	1,990
Light & heat	13,537	22,084
Cleaning and hygiene	10,862	15,184
Administrative expenses	16,332	13,405
Insurance	9,286	14,598
Irrecoverable VAT	8,235	19,033
Audit, legal & professional	9,730	5,902
Other costs	4,340	6,151
	<u>94,382</u>	<u>115,855</u>
Allocated to:		
Charitable activities	<u>94,382</u>	<u>115,855</u>

Support costs have been allocated to activities on a relevant basis to reflect the use of the resources. Support costs include governance costs amounting to £5,485 (2020 - £5,485).

The amount charged to the SOFA in respect of auditor's remuneration was:

- statutory audit £5,485 (2020 - £5,485)
- other services £240 (2020 - £Nil)

THE LEICESTER DRAMA SOCIETY LIMITED

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

11 Other expenditure

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Wages	-	-	-	-	41,740	41,740
Termination payments and legal fees	-	-	-	64,754	27,078	91,832
	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,754</u>	<u>68,818</u>	<u>133,572</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,754</u>	<u>68,818</u>	<u>133,572</u>

12 Trustees

Except for the disclosures below, none of the trustees received any remuneration, benefits or reimbursements from the charity during the year, or in the previous year.

During the year, expenses were paid to 6 (2020 - 6) trustees for travel, repairs and set design amounting to £2,092 (2020 - £1,086).

During the year, Mr C Moss received a prize of £Nil (2020 - £250) from the 200 Club raffle.

Mr T Hogarth-Jones who was a trustee, was given complimentary theatre tickets as a thank you for providing the wardrobe department with wigs for productions. The face value of the tickets provided during the year ended 31 July 2021 was £Nil (2020 - £87).

During the year the trustees made unconditional donations to the theatre in the sum of £240 (2020 - £780).

THE LEICESTER DRAMA SOCIETY LIMITED

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

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Bar staff	-	5
Production and costume staff	-	12
Management and administration	5	5
	<u>5</u>	<u>22</u>

Employment costs

	2021 £	2020 £
Wages and salaries	31,710	195,427
Social security costs	-	7,943
Other pension costs	233	3,515
Termination payments	-	91,082
	<u>31,943</u>	<u>297,967</u>

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

14 Tangible fixed assets

	Freehold land & buildings £	Payments on account and assets under construction £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 August 2020	621,513	239,461	536,382	1,397,356
Additions	-	-	63,844	63,844
At 31 July 2021	<u>621,513</u>	<u>239,461</u>	<u>600,226</u>	<u>1,461,200</u>
Depreciation and impairment				
At 1 August 2020	299,052	-	461,589	760,641
Depreciation charged in the year	-	-	22,698	22,698
At 31 July 2021	<u>299,052</u>	<u>-</u>	<u>484,287</u>	<u>783,339</u>
Carrying amount				
At 31 July 2021	<u>322,461</u>	<u>239,461</u>	<u>115,939</u>	<u>677,861</u>
At 31 July 2020	<u>322,461</u>	<u>239,461</u>	<u>74,793</u>	<u>636,715</u>

Within freehold land and buildings, the cost is made up of land of £156,429 and buildings of £465,084.

THE LEICESTER DRAMA SOCIETY LIMITED

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

15	Stocks		2021	2020
			£	£
	Bar		2,084	3,092
	Front of house		235	54
	Pantomime lights		233	233
			<u>2,552</u>	<u>3,379</u>
16	Debtors		2021	2020
			£	£
	Amounts falling due within one year:			
	Trade debtors		-	438
	Prepayments and accrued income		31,647	18,556
			<u>31,647</u>	<u>18,994</u>
17	Creditors: amounts falling due within one year		2021	2020
		Note	£	£
	Bank loans	19	8,333	-
	Other taxation and social security		6,284	5,278
	Deferred income	20	86,954	91,570
	Trade creditors		606	211
	Accruals		11,737	106,659
			<u>113,914</u>	<u>203,718</u>
18	Creditors: amounts falling due after more than one year		2021	2020
		Notes	£	£
	Bank loans	19	41,667	-
19	Loans		2021	2020
			£	£
	Bank loans		50,000	-
	Payable within one year		8,333	-
	Payable after one year		41,667	-

THE LEICESTER DRAMA SOCIETY LIMITED

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

19 Loans

(Continued)

The charity has a Bounce Back Loan which is repayable by 60 monthly instalments from October 2021 and is due to come to an end in September 2026. In accordance with the Bounce Back Loan Scheme the interest rate is fixed at 2.5% and the UK Government acts as guarantor.

20 Deferred income

Deferred income included within note 18 above is as follows:

	2021 £	2020 £
Advance ticket sales	47,522	48,016
Membership subscriptions	3,126	216
Unrefunded cancelled tickets	16,614	20,684
Customer credits	16,576	19,656
Gift vouchers and order deposits	3,116	2,998
	<u>86,954</u>	<u>91,570</u>

21 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees.

The charge to the SOFA in respect of the defined contribution schemes was £233 (2020 - £3,515), all of this expense was unrestricted and all has been allocated as a direct cost. Expenditure has been allocated between funds and activities on a relevant basis to the nature of the underlying costs in proportion to resources used.

THE LEICESTER DRAMA SOCIETY LIMITED

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

22 Restricted funds

The funds of the charity include restricted funds held for specific purposes:

	Balance at 1 August 2020	Movement in funds		Transfers	Balance at 31 July 2021
	£	Income	Expenditure	£	£
Improvements for the benefit of the audience	39,266	-	-	-	39,266
Building fund - cash	53,945	1,644	-	-	55,589
Building fund - assets	43,471	-	-	-	43,471
Coronavirus job retention scheme	(27,078)	27,078	-	-	-
Arts Council recovery fund	-	202,075	(121,396)	(51,712)	28,967
LCC Business Development & Diversification grant	-	2,214	(1,960)	-	254
	<u>109,604</u>	<u>233,011</u>	<u>(123,356)</u>	<u>(51,712)</u>	<u>167,547</u>

	Balance at 1 August 2019	Movement in funds		Transfers	Balance at 31 July 2020
	£	Income	Expenditure	£	£
Improvements for the benefit of the audience	44,756	-	(5,490)	-	39,266
Building fund - cash	43,429	10,516	-	-	53,945
Building fund - assets	43,471	-	-	-	43,471
Coronavirus job retention scheme	-	41,740	(68,818)	-	(27,078)
	<u>131,656</u>	<u>52,256</u>	<u>(74,308)</u>	<u>-</u>	<u>109,604</u>

Improvements for the benefit of the audience - this fund is represented by fixed assets, and relates to a disabled access and improvements to the box office and auditorium.

Building fund - this fund represents donations specifically given towards the costs of the building project. This is split between amounts held as cash and assets.

Coronavirus job retention scheme - this fund represents amounts received from the Government to cover staff costs during the Covid-19 pandemic. The fund shows a deficit at the start of the year because expenditure was previously accrued for as part of a restructuring provision. Income in relation to this expenditure has been recognised during the year from the coronavirus job retention scheme, when the charity became entitled to this income.

THE LEICESTER DRAMA SOCIETY LIMITED

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

22 Restricted funds

(Continued)

Arts Council recovery fund - this fund represents amounts received from the Arts Council to help cover the charity's running costs. Transfers have been made from restricted funds into unrestricted funds to transfer the value of fixed assets where the restriction has lapsed.

Leicester City Council Business Development & Diversification grant - this fund represents amounts received from Leicester City Council to develop or diversify our current operations and to enable safer working practices.

23 Unrestricted funds

The income funds of the charity include general and designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 August 2020 £	Movement in funds			Balance at 31 July 2021 £
		Income £	Expenditure £	Transfers £	
Designated funds:					
Building fund - cash	71,244	6,420	(1,110)	-	76,554
General funds	557,436	102,344	(55,847)	51,712	655,645
	<u>628,680</u>	<u>108,764</u>	<u>(56,957)</u>	<u>51,712</u>	<u>732,199</u>

	Balance at 1 August 2019 £	Movement in funds			Balance at 31 July 2020 £
		Income £	Expenditure £	Transfers £	
Designated funds:					
Building fund - cash	54,816	20,918	(4,490)	-	71,244
General funds	585,786	527,799	(556,149)	-	557,436
	<u>640,602</u>	<u>548,717</u>	<u>(560,639)</u>	<u>-</u>	<u>628,680</u>

Building fund - this fund represents amounts set aside towards the costs of the building project.

24 Building fund

During the year £1,644 (2020 - £10,516) was raised in direct donations to the building fund and the Trustees set aside a further £6,420 (2020 - £20,918) for this purpose, a total of £8,064 (2020 - £31,434).

Therefore the cumulative amount raised on the Building fund increased to £175,614 of which £43,471 has been spent on planning, professional fees and archaeological investigations, leaving a balance carried forward of £132,143, split between restricted and designated funds.

THE LEICESTER DRAMA SOCIETY LIMITED

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

25 Analysis of net assets between funds

	Unrestricted funds general 2021 £	designated 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 July 2021 are represented by:				
Tangible assets	594,901	-	82,960	677,861
Current assets/(liabilities)	102,411	76,554	84,587	263,552
Long term liabilities	(41,667)	-	-	(41,667)
	<u>655,645</u>	<u>76,554</u>	<u>167,547</u>	<u>899,746</u>
	Unrestricted funds general 2020 £	designated 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 July 2020 are represented by:				
Tangible assets	553,978	-	82,737	636,715
Current assets/(liabilities)	3,458	71,244	26,867	101,569
	<u>557,436</u>	<u>71,244</u>	<u>109,604</u>	<u>738,284</u>

26 Operating lease commitments

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:

	2021 £	2020 £
Within one year	2,267	1,716
Between two and five years	4,326	4,069
	<u>6,593</u>	<u>5,785</u>

Lease payments totalling £1,946 (2020: £1,913) have been recognised as an expense during the year.

THE LEICESTER DRAMA SOCIETY LIMITED

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

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2021 £	2020 £
Aggregate compensation	15,582	82,479

During the year, MJ Harding Scott, the daughter of Mr M G Scott and Professor J A Harding, was paid £5,017 (2020: £Nil) for her services as an employee.

28 Events after the reporting date

Despite the relaxation of Government restrictions imposed as a result of the coronavirus (COVID-19) pandemic these could easily be re-imposed because the virus is still in general circulation. The charity continues to monitor the situation and will take action as appropriate. More detail is included in the Trustees' Report on how the pandemic has impacted the charity and the measures the trustees have taken to try and mitigate its impact.

29 Control relationship

The charity is under the joint control of the trustees.

30 Cash generated from operations	2021 £	2020 £
Surplus/(deficit) for the year	161,462	(33,974)
Adjustments for:		
Investment income	(7,900)	(9,235)
Depreciation and impairment of tangible fixed assets	22,698	36,363
Movements in working capital:		
Decrease/(increase) in stocks	827	(18)
(Increase)/decrease in debtors	(12,653)	10,735
Increase/(decrease) in creditors	(98,137)	8,813
Cash generated from operations	66,297	12,684

THE LEICESTER DRAMA SOCIETY LIMITED

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

31 Analysis of changes in net funds

	At 1 August 2020 £	Cash flows £	At 31 July 2021 £
Cash at bank and in hand	282,914	60,353	343,267
Bank loans	-	(50,000)	(50,000)
	<u>282,914</u>	<u>10,353</u>	<u>293,267</u>