

ABBNEY THEATRE ST ALBANS

Report of the Trustees and Audited Financial Statements

THE ABBEY THEATRE TRUST (ST ALBANS) LIMITED

For the year ended 31 August 2020

A Charity registered under number 247839

A Company limited by guarantee and registered in England and Wales number 877400

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THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Company Number	00877400 (England and Wales)	
Charity Number	247839	
Principal Address	Westminster Lodge Holywell Hill St Albans Hertfordshire AL1 2DL	
Auditors	Moore Kingston Smith LLP 4 Victoria Square St Albans Hertfordshire AL1 3TF	
Bankers	Barclays Bank Plc 16-18 St Peters Street St Albans Hertfordshire AL1 3NA	
Company Secretary	Ian Barrett	
Directors	Martin Goodman Peter Hale	
Trustees	Martin Goodman Peter Hale Ian Barrett Mark Coltman Katherine Barry Philip Reardon Rodger Scales (resigned 4th September 2019) Karen Thomas Paul Davidson Sinead Dunne Ian Williams Gillian Stratford Gemma Spriggs (retired 30th April 2020) Apyl Kelly Elizabeth Kennedy	Chair Treasurer Secretary Marketing Membership Production Production Production Technical Training & Development House Front of House Without Portfolio Without Portfolio Without Portfolio

**THE ABBEY THEATRE TRUST (ST ALBANS) LIMITED
TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

CHAIRMAN'S REPORT

While this year has been dominated with our response to Covid, the first half was fully functioning under the rules of what we might now call the 'old normal'. The Company of Ten provided a diverse range of excellent productions in which it exhibited the full extent of its talent. These included Alan Bennett's Office Suite, Martin Crimp's Dealing with Clair, Lee Hall's Pitman Painters, David Wood's adaptation of Roald Dahl's George's Marvellous Medicine, Andrew Keatley's Alligators and Shaun McKenna's stage adaptation of Ladies in Lavender.



"Office Suite"



"Dealing with Clair"



"Pitman Painters"



"George's Marvellous Medicine"



Alligators

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"Ladies in Lavender"

In March Government Regulations meant the Theatre was to close and it was not possible to open again until after the end of the year which this report covers. However, whilst the pandemic resulted in the Abbey Theatre and the CoT having to face tremendous challenges, just as other parts of the UK's entertainment industry, it was also the year that we really showed our mettle by drawing together and providing support for our members and the community we serve. We tailored our programme to meet the constraints of Covid; and we demonstrated flexibility and ingenuity with our online Corona Monologues competition, 'Zoomed' play readings and other activities.

We put in place health and hygiene procedures across the theatre which made it possible for us, when permitted, to run shows and rehearsals from our main stage. Significantly, we also demonstrated our technical ability by livestreaming productions or using a hybrid version of productions combining socially distanced shows with the option of online viewing. This has enhanced our community reach and provided much needed income.

Furthermore, we have also provided social support for CoT members as required. We were also awarded the accolade of Hero of Hertfordshire for our work in the community by the Queen's representative in the county, the Lord Lieutenant.

This may not have been the 2020 Vision I had originally hoped for with work on an extension to the theatre, but the last 12 months have nevertheless been a success and, hopefully, next year will be less challenging. I thank all our members and supporters for going many extra miles.

**THE ABBEY THEATRE TRUST (ST ALBANS) LIMITED
TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Abbey Theatre Trust (St. Albans) Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 25th June 2004. It is registered as a charity with the Charity Commission. Every member of the charity undertakes to contribute such amounts as may be required (not exceeding £10) to the charity's assets if it should be wound up.

Organisation and structure

The Charity is administered by a Board of Trustees, which commonly meet monthly. There were 14 Trustees (between September 2019 and April 2020 inclusive) and then 13 from 1 May 2020 onwards, including a Chairman, Secretary and Treasurer. The board has appointed a Theatre Manager to act as a licensee and to manage day-to-day administration.

In the year, the Board met 12 times and from March 2020 onwards these have either been online or a hybrid online / in attendance, depending on prevailing guidance due to the Covid 19 pandemic. The average attendance of Trustees was over 80%.

Recruitment and Appointment of Trustees

Trustees are elected as the holders of designated offices at the Annual General Meeting for an initial period of two years (three years in the case of Officers) and then may stand for a further two years (three years in the case of Officers). After serving for four consecutive years (six consecutive years for Officers), Trustees must retire. Trustees "without portfolio" are elected for two years.

The Board of Trustees may also appoint a trustee to fill a vacancy or as an additional trustee to serve until the next annual general meeting. During the year the second Production Executive vacancy was so filled until the 2021 AGM.

Induction and training of new Trustees

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. Relevant articles and publications are also circulated.

Risk Management

The Trust is faced with several on-going risks, both financial and other, including:

- Ensuring that the Charity continues to be sustainable in the medium to long term
- Maintaining a position within the St Albans community
- Audience and membership demographics
- Marketing to and attracting new audiences
- Marketing to and attracting new members
- Maintaining current membership
- Accommodating outside lets required for the generation of additional revenue
- Staffing outside lets
- The requirement for a front of house service staffed by volunteers
- The age of the building and the increasing complexity and cost of the property management, including ongoing maintenance and repairs
- Potential conflicts between artistic objectives and commercial requirements

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The Board conducts regular reviews of the risks the Charity may face, with a view to ensuring:

- the creation of a strategies for mitigating risks, including, medium to long term strategies to ensure the sustainability of the theatre
- the establishment of systems and procedures to mitigate identified risks
- the implementation of strategies and procedures to minimise any potential adverse impact should any risks materialize

During the period which this report covers, the second half was severely impacted by the Covid 19 pandemic. The theatre complex was closed from March 2020. The Board of Trustees along with the Theatre Manager put in place a rigorous regime to keep the physical assets safe and secure and when lockdown was eased proceed to make sure the complex was a Covid 19 secure environment. Subsequent to the period of this report, the Trust has been able to put limited productions on, either with socially distanced audience and / or online streamed events.

OBJECTIVES AND ACTIVITIES

Objectives and Activities

To promote, maintain, improve and advance education in and appreciation of the arts, including the production of plays and the encouragement of dramatic arts, to formulate, prepare and establish schemes thereof provided that all objectives of the Trust shall be of a charitable nature.

There have been no changes to the Charity's principal objectives since the last report. The Trustees have given regard to the Charity Commission's guidance on public benefit.

The main activity in the year (up to March 2020 when the Theatre closed) has been the presentation of theatrical productions for public performance by the members of the Company. The Charity provides a vibrant, artistic hub for the community, offering opportunities to enjoy and participate in a wide range of performance-related activities. The Charity offers opportunities to a broad base of the community.

Other activities included the provision of performance facilities to other organisations and facilities for training in drama and related skills.

Strategies

The strategies employed to achieve the Charity's objectives are:

- **Artistic** - to present a varied programme of main productions, attractive to substantial audiences, at approximately one per month from September to July. This is the largest single income stream
- **Training** - to provide a training and development programme for members, both technical and performance based, and plan for the provision of training opportunities for the broader community
- **Youth Development** - to support and provide facilities for youth groups and youth activities within the Company
- **New Skills** – To develop our ability to offer performances online as appropriate
- **Involvement in the Community** - to make theatrical presentation and training facilities available to a wide range of outside organisations, including other theatre and performance companies and schools
- **External Awareness** - to engage with the community and promote greater awareness of the theatre and its activities in the community
- **Future Development** – to determine the feasibility of developing the theatre building to ensure the future viability of the Charity
- **Technical** - to maintain, renew and update equipment on an ongoing basis

THE ABBEY THEATRE TRUST (ST ALBANS) LIMITED
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FOR THE YEAR ENDED 31 AUGUST 2020

- **Buildings** - to maintain the infrastructure on a continuous basis, including substantial renewals as required. To budget for ongoing significant spending in this area and to maintain a reserve in hand for any unexpectedly large building repairs required to be done at short notice
- **Generation of Additional Income** - to hire out the theatre and training facilities to relevant external organisations to maximise earnings, insofar as is consistent with the Charity's objectives and with members' interests. Identify opportunities for generating additional revenue including commercial advertisements in programmes and sponsoring performances
- **Fundraising** – to develop opportunities for fundraising both from within the Trust's membership and the wider community
- **Staffing** - to recognise the importance of significant developments in front of house and backstage staffing requirements and in facilitating outside lets

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Activities during the first half of the year being reported on, reflect a progressive and efficient company, with sound finances, included:

- A varied programme of productions of good artistic and technical quality
- Providing two active and successful groups for young people for participation and training - St Albans Youth Music Theatre and the Company of Teens
- Providing facilities to two external drama groups, one that provides daily training for 4-18-year old, in term time, and another for 1 to 3-year-olds
- Providing an inclusive environment open to the community to participate in theatrical productions
- Providing training in acting, directing and other theatrical skills
- Providing opportunities for training and developing skills in diverse areas of theatrical production, including, lighting, sound, set design and building, wardrobe and props
- Providing facilities for the community
- Several outside lets and hires that continue to provide a valuable contribution towards running costs as well as providing our regular audience with additional opportunities to visit the theatre and attracting people who might not otherwise have visited
- Ongoing relationship with Radio Verulam for the broadcast of radio plays
- Fundraising Activity such as Quiz nights, Sponsored Rowathon,

Other Activities

The Trustees continued with their exploration of the viability and potential of undertaking a major re-development plan for the theatre to ensure the long-term future of the Trust. A subcommittee (Capital Development Project) has been established which is working on both the technical aspects and fundraising aspects.

Professional advisors have been engaged for both technical and fundraising activities. As a consequence of the pandemic, activities on the Development were suspended in March 2020 and it has been decided to suspend any activity until at least September 2021.

THE ABBEY THEATRE TRUST (ST ALBANS) LIMITED
TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

FINANCIAL REVIEW

Income, expenditure, and outturn for the year

We were fortunate that before the theatre had to close in March 2020 our productions had already proved successful, both artistically and financially, so we were in reasonably good shape. With the savings that arose due to not being open, plus a virtual cessation of the refurbishment work on the building, we ended our season with a surplus to which we could add the government's covid-19 grant of £25,000. The continuing donations from our audience and members have been pleasing and can be seen in our figures.

Reserves

Given the uncertainty at the end of our season about what our 2020-21 year might bring, we added the £25,000 government grant to our "disaster" Operating Reserve, bringing it up to £75,000, and retaining our General fund at £60,000.

At the time of closure in March 2020, we were just about to finalise plans for the building development, so our Development reserve bore fees of £34,500. We have decided to pause work until at least September 2021 due to the pandemic. The Development reserve now stands at £462,683; our investments fell in value during the year due to the covid-19 sell-off in financial markets. At the date of approval of the financial statements, however, they have regained much of their value, again following the markets.

Outlook for the year 2020-21

Until December 2020 we were able to stage plays to live audiences and/or stream them. Although at the date of approval of the financial statements we have been required to cease activities for the time being, a combination of government grants, savings and a cessation of all but essential maintenance make it probable that the deficit for the 20-21 season will be covered by our Operating reserve. Again, financial donations from our members and audiences have been very welcome.

Investment policy and objectives

The Trustees have placed funds in term and notice deposits and in investments suitable for charities. We are reviewing our investments with the aim of reducing future volatility, looking forward to the resumption of plans for the theatre's building development.

**THE ABBEY THEATRE TRUST (ST ALBANS) LIMITED
TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Abbey Theatre Trust (St. Albans) Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Principles.

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 the period.

In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charity SORP;
- Make judgements that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 to taking reasonable steps for the prevention and detection of fraud and other irregularities.

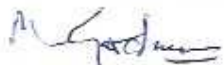
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of the information.

AUDITORS

The auditors, Moore Kingston Smith, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD



M Goodman - Chairman and Trustee

Date: 18/2/21

Independent Auditor's Report to the Trustees of The Abbey Theatre Trust (St Albans) Limited

Opinion

We have audited the financial statements of The Abbey Theatre Trust (St Albans) Limited for the year ended 31st August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, and notes to the financial statements. 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 Standards Applicable in the UK and 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 August 2020 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 properly prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK)

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent Auditor's Report to the Trustees of The Abbey Theatre Trust (St Albans) Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; 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 required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144[1] 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

**Independent Auditor's Report to the Trustees of
The Abbey Theatre Trust (St Albans) Limited**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the company's members 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.



SILVIA VITIELLO
Senior Statutory Auditor
for and on behalf of Moore Kingston Smith LLP

02/03/2021

4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

Date:

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Income and endowments from:							
Donations and legacies	2	39,632	-	39,632	15,593	-	15,593
Charitable activities	4	146,754	-	146,754	211,927	-	211,927
Investments	3	3,146	-	3,146	2,944	-	2,944
Total		189,532	-	189,532	230,464	-	230,464
Expenditure on:							
Charitable activities	6	181,826	25,479	207,305	223,548	25,479	249,027
Raising funds	5	1,635	-	1,635	2,442	-	2,442
Total		183,461	25,479	208,940	225,990	25,479	251,469
Net gains/(losses) on investments	9	(31,222)	-	(31,222)	7,671	-	7,671
Transfers between funds	14	-	-	-	-	-	-
Net movement in funds		(25,151)	(25,479)	(50,630)	12,145	(25,479)	(13,334)
Reconciliation of funds:							
Total funds brought forward		622,834	943,995	1,566,829	610,689	969,474	1,580,163
Total funds carried forward	14	597,683	918,516	1,516,199	622,834	943,995	1,566,829

The Statement of Financial Activities includes all gains and losses recognised in the year and all income and expenditure derive from continuing activities.

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

BALANCE SHEET AS AT 31 AUGUST 2020

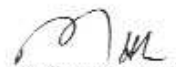
	Note	2020 £	2019 £
Fixed assets:			
Tangible assets	8	912,766	938,245
Investments	9	471,620	502,842
		<u>1,384,386</u>	<u>1,441,087</u>
Current assets:			
Stocks	10	2,204	1,946
Debtors	11	9,858	14,091
Cash at bank and in hand		149,742	163,639
		<u>161,804</u>	<u>179,676</u>
Liabilities:			
Creditors: Amounts falling due within one year	12	29,991	53,934
Net current assets		<u>131,813</u>	<u>125,742</u>
Total net assets		<u>1,516,199</u>	<u>1,566,829</u>
The funds of the charity:			
Unrestricted funds	14	597,683	622,834
Restricted funds	14		
Building development reserve		1,000	1,000
St Albans Youth Music Theatre (SAYMT)		4,750	4,750
Tangible fixed asset reserve		912,766	938,245
Total funds		<u>1,516,199</u>	<u>1,566,829</u>

The trustees acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within part 15 of the Companies Act 2005.

Approved by the Board of Trustees signed on its behalf by:


M Goodman - Trustee


P Hale - Trustee

27/2/2021
Date

1/3/21
Date

1 Accounting policies

Company information

The Abbey Theatre Trust (St. Albans) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Westminster Lodge, Holywell Hill, St Albans, AL1 2DL.

Basis of preparation

A summary of the principal accounting policies adopted, judgements and key sources of estimation uncertainty, is set out below.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and Charities Act 2011.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

Going concern

Subsequent to the year end and in light of the coronavirus pandemic, the trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on income. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Critical accounting judgements

There are no judgements, estimates or assumptions that affect the amounts recognised in the financial statements.

Incoming resources

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable assurance of receipt.

Voluntary income includes donations, gifts and legacies. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in a future accounting period; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Donations include income from fundraising activities together with unsolicited income. Income from charitable activities is recognised as earned (as related goods and services are provided). Investment income is recognised on a receivable basis.

Grant income

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Deferred income

A provision for deferred income is made where the income is received in the year but can only be recognised for the next financial year and can be reliably measured at the balance sheet date.

1 Accounting policies (continued)

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Costs are allocated between categories on a direct basis. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer will be required in settlement and the amount of the obligation can be measured reliably.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

Unrestricted funds are donations and other income received or generated for the objects of the charity without further specified purpose and are available as general funds.

Tangible fixed assets

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

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

- | | |
|------------------|-------------------------------|
| - Long leasehold | - 48 years straight line |
| - Equipment | - 10 - 20 years straight line |

The charity has taken advantage of the transitional arrangements to SORP 2015 to adopt the revaluation under previous UK GAAP as deemed cost for its leasehold property.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Realised and unrealised investment gains are reflected in the Statement of Financial Activities.

Financial instruments

a. Financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured as the present value of the future receipts discounted at a market rate of interest.

b. Financial liabilities

Basic financial liabilities are initially measured at transaction price.

Legal status

The charity is incorporated as a company limited by guarantee and is registered with the Charity Commission. The members of the company have undertaken to contribute up to their guarantee of £10 each towards the liabilities of the company, in the event that it is wound up whilst they are, or within one year of being, members.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**2 Donations and Legacies**

	2020			2019		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Donations	14,632	-	14,632	15,593	-	15,593
Covid-19 grant	25,000	-	25,000	-	-	-
	<u>39,632</u>	<u>-</u>	<u>39,632</u>	<u>15,593</u>	<u>-</u>	<u>15,593</u>

3 Income from investments

	2020 Unrestricted Funds £	2019 Unrestricted Funds £
Deposit account interest	<u>3,146</u>	<u>2,944</u>

4 Income from charitable activities

	2020 Unrestricted Funds £	2019 Unrestricted Funds £
Ticket and programme sales	84,439	110,225
Income from visiting companies, hire of premises and of stage properties and wardrobe items	20,775	38,259
Members' subscriptions	10,326	11,676
Bar and refreshment sales	28,314	47,647
Programme advertising and sponsorship	2,900	4,120
	<u>146,754</u>	<u>211,927</u>

5 Expenditure on Raising Funds

	2020 Unrestricted Funds £	2019 Unrestricted Funds £
Newsletter/Prompt Corner	1,031	1,488
Club activities	604	954
	<u>1,635</u>	<u>2,442</u>

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

6 Expenditure on Charitable Activities	2020 Unrestricted Funds £	2019 Unrestricted Funds £
Costs directly attributable to charitable activities		
Productions	8,622	19,334
Other production costs	-	287
Marketing and programmes	12,912	15,597
Bar and refreshments	13,539	20,511
Support and governance costs		
Theatre buildings maintenance	12,264	33,973
Theatre services and utilities	27,769	29,216
Stage, sound and lighting equipment	2,271	17,280
Insurance	10,725	9,030
Box office, internet sales and computers	16,565	14,192
Salary and national insurance	28,791	27,637
Other running costs and administrative expenses	9,233	10,904
Theatre development costs	34,418	21,637
Auditors fees	4,717	3,950
	<u>181,826</u>	<u>223,548</u>
	Restricted Funds £	Restricted Funds £
Support and governance costs		
Depreciation	<u>25,479</u>	<u>25,479</u>
	<u>25,479</u>	<u>25,479</u>
7 Staff costs	2020 £	2019 £
Staff expenses includes the following employee costs:		
Wages and salaries	27,949	26,984
Pension costs	842	653
	<u>28,791</u>	<u>27,637</u>

No employee received benefits in excess of £60,000 (2019: Nil)

The average number of employees during the year was 1 (2019: 1)

Key management personnel are considered to be the trustees and the theatre manager. The total employee benefits of the Charity's key management personnel was £28,791 (2019: £27,637).

No trustees received any remuneration for their services during the year (2019: £Nil). One trustee was reimbursed travel expenses of £110 (2019: £nil)

The Abbey Theatre Trust has about three hundred members at any one time. In both 2019/20 and 2018/19 a large majority have been actively involved in productions, both on stage and behind the scenes, and/or in invaluable front-of house and support activities.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**8 Tangible fixed assets**

	Long Leasehold	Equipment	Total
	£	£	£
Cost as at 1st September 2019	1,212,053	251,739	1,463,792
Additions	-	-	-
Cost as at 31st August 2020	<u>1,212,053</u>	<u>251,739</u>	<u>1,463,792</u>
Accumulated depreciation brought forward	356,343	169,204	525,547
Charge for the year	18,602	6,877	25,479
Accumulated depreciation carried forward	<u>374,945</u>	<u>176,081</u>	<u>551,026</u>
Net book value as at 1st September 2019	<u>855,710</u>	<u>82,535</u>	<u>938,245</u>
Net book value as at 31st August 2020	<u>837,108</u>	<u>75,658</u>	<u>912,766</u>

9 Fixed asset investments

	£
Market and Net book value as at 1st September 2019	502,842
Revaluations	(31,222)
Market and Net book value as at 31st August 2020	<u>471,620</u>

All investments are UK listed investments, they are held to provide investment income to the charity.

The following fixed asset investments exceeded 5% of the total portfolio:

	2020	2019
Blackrock Charities UK Equity Fund	48%	49%
M&G Equities Investment Fund for Charities	10%	11%
M&G Episode Income Fund	24%	23%
Cash from investments sold, on deposit	18%	17%

10 Stocks

	2020	2019
	£	£
Refreshments and bar stock	<u>2,204</u>	<u>1,946</u>

11 Debtors

	2020	2019
	£	£
Trade debtors	152	454
Prepayments and accrued income	7,617	11,098
VAT debtor	2,089	2,539
	<u>9,858</u>	<u>14,091</u>

12 Creditors

	2020	2019
	£	£
Accruals	5,784	21,261
Deferred income from advance ticket sales	1,037	4,496
Deferred income from advance membership subscriptions	2,320	2,784
Ticket sales for third parties' shows	10,368	275
Social security and other taxes	1,055	1,008
Other creditors	9,427	24,110
	<u>29,991</u>	<u>53,934</u>

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

13 Deferred income		2020	2019
		£	£
Deferred Income at 1st September 2019		7,555	10,202
Resources deferred in the year		3,357	7,555
Amounts released from previous years		(7,555)	(10,202)
Deferred Income at 31st August 2020		<u>3,357</u>	<u>7,555</u>
Deferred income comprises the following:			
Advance ticket sales		1,037	4,496
Advance membership subscriptions		2,320	2,784
Advance hires		-	275
		<u>3,357</u>	<u>7,555</u>

14 Statement of funds	Balance at 01-Sep-19	Movement in Income	Resources Expenditure	Transfers	Balance at 31-Aug-20
	£	£	£	£	£
Unrestricted funds					
General fund	60,000	188,048	(149,043)	(39,005)	60,000
Operating reserve	50,000	-	-	25,000	75,000
Development reserve	<u>512,834</u>	<u>(29,738)</u>	<u>(34,418)</u>	<u>14,005</u>	<u>462,683</u>
	622,834	158,310	(183,461)	-	597,683
Restricted funds					
Building development fund	1,000	-	-	-	1,000
Tangible fixed asset reserve	938,245	-	(25,479)	-	912,766
St Albans Youth Music Theatre (SAYMT)	<u>4,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,750</u>
	943,995	-	(25,479)	-	918,516
Total funds	<u>1,566,829</u>	<u>158,310</u>	<u>(208,940)</u>	<u>-</u>	<u>1,516,199</u>

Purpose of funds**General Fund**

The General fund represents funds that are readily available for use and not allocated to a specific

Development Reserve

The trustees have agreed to set aside substantial amount from annual surpluses to build funds towards major developments to the theatre's infrastructure.

Operating Reserve

The operating reserve exists to enable the company's operating costs to be covered for at least 6 months should its theatre facilities be not available for any reason. The Trustees have decided to increase the fund by the amount of the government Covid grant to £75,000 to cover possible annual deficits and potential repairs. The remainder of the surplus has been transferred to the Development Reserve.

Restricted building development fund

This reserve represents donations that have been made specifically in connection with the proposed new building.

St. Albans Youth Music Theatre Reserve

This reserve represents the value of the endowment when this group came under the wing of the Abbey Theatre. It will be used when required towards exceptional show costs incurred by SAYMT.

Tangible Fixed Asset Reserve

The funds relating to the tangible fixed assets are classified as restricted, as they are required for use for the purposes of the Charity.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

15 Analysis of net assets between funds	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total 2019 £
Tangible fixed assets	-	912,766	912,766	938,245
Fixed asset investments	465,870	5,750	471,620	502,842
Current assets	161,805	-	161,805	179,676
Creditors due within one year	(29,991)	-	(29,991)	(53,934)
Total	<u>597,684</u>	<u>918,516</u>	<u>1,516,200</u>	<u>1,566,829</u>

16 Lease commitments

Below are the aggregate amounts payable under operating leases expiring in:

	2020 £	2019 £
Less than one year	155	155
Two to five years	<u>464</u>	<u>618</u>

17 Related party transactions

The services of Cheryl Coltman (t/a Sorted) for office assistance were engaged for part of the year by the Trust for half a day a week. Her husband, Mark Coltman, serves as a trustee. The total amount paid to Cheryl Coltman was £873 (2019: £2,280) and the transaction was carried out at arms-length.

In 2019, the Trust hired sound equipment from Stuart Barry whose wife, Katherine Barry, is a Trustee. The amount paid was £200 and the transaction in 2019 was carried out at below market price. No such transaction occurred during the current year.