

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 2021

A Charity registered under number 247839

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

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

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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	Paul Davidson (appointed 1st June 2021) Peter Hale Martin Goodman (retired 31st May 2021)	
Trustees	Martin Goodman (retired 31st May 2021) Paul Davidson (appointed 1st June 2021) Peter Hale Ian Barrett Mark Coltman Katherine Barry (retired 31st May 2021) Liz Kennedy (appointed 1st June 2021) Philip Reardon (retired 31st May 2021) Karen Thomas Angela Stone (appointed 3rd August 2021) Paul Davidson (retired 31st May 2021) Clifford Stratford (appointed 1st June 2021) Sinead Dunne Ian Williams Gill Stratford (retired 31st May 2021) Maureen Bukht (appointed 1st June 2021) Apyrl Kelly (retired 31 May 2021) Philip Reardon (appointed 1st June 2021) Liz Kennedy (retired 31 May 2021)	Chair Chair Treasurer Secretary Marketing Membership Membership Production Production Production Technical Technical Training & Development House Front of House Front of House Without Portfolio Without Portfolio Without Portfolio

TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2021

CHAIRMAN'S REPORT

The past year has been dominated by Covid – and by our determination to present as much live theatre as we could between the various lockdowns and other restrictions. Several parallel initiatives were required. Firstly, Production Executive Karen Thomas devised a flexible programme of plays with small casts and basic sets which could be easily rescheduled if necessary. At the same time, the Front of House team, led by Manager Tina Swain, developed sanitisation procedures, operating practices and social distancing protocols which, together with increased ventilation, enabled us to meet the UK Theatre 'See It Safely' standard. Thirdly, our IT Manager, Stuart Barry, invested many hours in developing a method of live-streaming productions from the main stage to a virtual audience.

As a result, when theatres were first allowed to re-open in August 2020, we were ready to trial our live-streaming system with a short run of *Radio Fun*. This was followed by a hybrid production of *Building the Wall*, played to both a socially distanced 'real' audience in the theatre and a virtual audience on-line.



Figure 1- *Building the Wall*

The November production of *Relatively Speaking* was also scheduled to be hybrid – but the second lockdown started on the first night, forcing us to stream a recorded dress rehearsal to a virtual audience only. The same thing happened to our Christmas production of *The Secret Garden* in December, and we were then forced to close for four months.



Figure 2- *Relatively Speaking*



Figure 3- *The Secret Garden*

The Company of Teens did manage to participate in the online National Theatre Connections festival, with a contribution filmed during lockdown by each young person in their own home.

UK theatres were allowed to re-open to audiences on 17th May 2021. The Abbey Theatre was one of very few across the country – professional or amateur – to open as promptly as we did; the Company of Ten opened a short hybrid season on 18th May with *Endgame*, followed by *Two*, *Skylight* and a St Albans Youth Music Theatre production of *Snoopy the Musical*.

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED



Figure 4 - Endgame



Figure 5 - Two



Figure 6 - Skylight



Figure 7 - Snoopy the Musical

We are immensely proud of the fact that, through a combination of ingenuity, innovation, and persistence, we were able to stage a range of theatrical productions whenever the pandemic rules allowed. Despite the constraints of Zoom rehearsals and other restrictions, we were able to produce a season of high-quality drama, much appreciated by those patrons who did join us in the auditorium and by those watching at home. Although total numbers were much reduced, our live-streaming capability allowed us to supplement ticket sales and maintain our presence – and the expertise we gained was shared with other theatres within the Little Theatre Guild. One unexpected bonus from the enforced closure of UK theatres has been the time available to practitioners to develop a Theatre Green Book, offering guidance on making theatre buildings and operations more sustainable. I have been able to contribute to this initiative, based in part on the measures such as insulation, LED lighting and heat pumps already adopted by our theatre, and we look forward to further improving our sustainability.

The major uncertainty for the future, as we plan a more conventional 2021-22 season, is the speed and extent to which audiences will return to theatres as the pandemic continues. We intend to tackle this threat with a combination of an attractive season and the reassurance of a safe and welcoming environment.

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

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 13 Trustees (between September 2020 and May 2021 inclusive) and then eleven from 1 June 2021 to 3 August 2021 and then twelve from then 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 twelve times, and these were in person, online or a hybrid of both depending on prevailing guidance due to the Covid 19 pandemic at the relevant time. The average attendance of all Trustees was over 80%.

The Annual General Meeting was held in two parts, the first on 23 February 2021 to approve the annual report, financial statements and to reappoint the auditors; and the second on 25 May to address the appointment and reappointment of trustees.

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 following Trustee positions were so filled until the 2022 AGM: - Second Production, Front of House, and membership Executives

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 ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

- 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

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

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 period, when the Theatre was open, has been the presentation of theatrical productions for public performance by the members of the Company of Ten. 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** - Developing 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
- **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, as far as is consistent with the Charity's objectives and with members'

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

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 period being reported on, were severely restricted due to Covid 19. However, the theatre adapted strongly and undertook live streamed, recorded, and live performances; but other usual activity was severely curtailed.

- A limited programme of eight 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 an inclusive environment open to the community to participate in theatrical productions
- Limited outside lets and hires that 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

Re- Development Plan for the Theatre

All activity on any Development Plan for the Theatre has been held in abeyance and will be reviewed in 2022.

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

FINANCIAL REVIEW

Income, expenditure, and outturn for the year

In a year in which live audiences were permitted for only a few shows we were able to stream all our productions over the internet to great success, which helped our income. Expenditure, which was reduced anyway because of closure, was cut further where we could. Our enforced closure did make us eligible for the government's covid grants and we were grateful yet again to see the continuing financial support from public and members by way of donations. The season's small deficit is manageable and comfortably covered by our reserves.

Reserves

The deficit of £12,053 before depreciation has been charged to our "Operating reserve" as it resulted from our inability to open. The Reserve had been boosted by the £25,000 covid grant from the 2019-2020 season and it now stands at £62,947. Our General Fund remains at £60,000.

Due to the rebound in stock markets since August 2020 our Development Reserve increased and now stands at £558,725.

Outlook for the year 2021-22

We have set lower targets for our ticket sales because, understandably, we have seen reluctance by some members of our regular audience to return to the theatre in person despite our actions to mitigate covid by distanced seating, etc. At the time of signing these accounts our reduced audience targets are being met. We are prudently reducing non-essential expenditure so that, assuming no further closures, we expect to do no worse than break even at the end of the year. Our reserves remain robust should there be another period of enforced closure.

Investment policy and objectives

Given the volatility of UK stock markets and the wide range of investments now available the Trustees reviewed our holdings. Professional investment managers have now been appointed to create an appropriately balanced portfolio.

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

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.

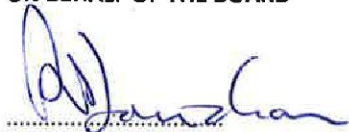
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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



Paul Davidson - Chairman and Trustee

Date: 29/3/22

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 2021 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 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 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

- 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.
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**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

4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

Date: 29/3/22

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

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Income and endowments from:								
Donations and legacies	2	42,489	-	-	42,489	39,632	-	39,632
Charitable activities	4	56,253	-	-	56,253	146,754	-	146,754
Investments	3	1,696	351	-	2,047	3,146	-	3,146
Total		100,438	351	-	100,789	189,532	-	189,532
Expenditure on:								
Charitable activities	6	111,415	-	25,479	136,894	181,826	25,479	207,305
Raising funds	5	1,076	-	-	1,076	1,635	-	1,635
Total		112,491	-	25,479	137,970	183,461	25,479	208,940
Net gains/(losses) on investments	9	-	95,691	-	95,691	(31,222)	-	(31,222)
Transfers between funds	14	(462,683)	462,683	-	-	-	-	-
Net movement in funds		(474,736)	558,725	(25,479)	58,510	(25,151)	(25,479)	(50,630)
Reconciliation of funds:								
Total funds brought forward		597,683	-	918,516	1,516,199	622,834	943,995	1,566,829
Total funds carried forward	14	122,947	558,725	893,037	1,574,709	597,683	918,516	1,516,199

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 2021


	Note	2021 £	2020 £
Fixed assets:			
Tangible assets	8	887,287	912,766
Investments	9	567,311	471,620
		<u>1,454,598</u>	<u>1,384,386</u>
Current assets:			
Stocks	10	2,017	2,204
Debtors	11	18,354	9,858
Cash at bank and in hand		<u>123,522</u>	<u>149,742</u>
		143,893	161,804
Liabilities:			
Creditors: Amounts falling due within one year	12	23,782	29,991
Net current assets		<u>120,111</u>	<u>131,813</u>
Total net assets		<u>1,574,709</u>	<u>1,516,199</u>
The funds of the charity:			
Unrestricted funds	14	122,947	597,683
Designated funds	14	558,725	-
Restricted funds	14		
Building development reserve		1,000	1,000
St Albans Youth Music Theatre (SAYMT)		4,750	4,750
Tangible fixed asset reserve		<u>887,287</u>	<u>912,766</u>
Total funds		<u>1,574,709</u>	<u>1,516,199</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 2006.

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


P Davidson - Chairman and Trustee


I Barrett - Trustee

29/3/22
Date

29/3/22
Date

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

In light of the on-going 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.

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

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.

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

2 Donations and Legacies

	2021			2020		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Donations	12,445	-	12,445	14,632	-	14,632
Legacies	2,254	-	2,254	-	-	-
Covid-19 grant	27,790	-	27,790	25,000	-	25,000
	<u>42,489</u>	<u>-</u>	<u>42,489</u>	<u>39,632</u>	<u>-</u>	<u>39,632</u>

3 Income from investments

	2021			2020		
	Unrestricted Funds £	Designated Funds £	Total Funds £	Unrestricted Funds £	Designated Funds £	Total Funds £
Deposit interest	1,696	351	2,047	3,146	-	3,146

4 Income from charitable activities

	2021 Unrestricted Funds £	2020 Unrestricted Funds £
Ticket and programme sales	35,752	84,439
Income from visiting companies, hire of premises and of stage properties and wardrobe items	4,943	20,775
Members' subscriptions	9,786	10,326
Bar and refreshment sales	5,772	28,314
Programme advertising and sponsorship	-	2,900
	<u>56,253</u>	<u>146,754</u>

5 Expenditure on Raising Funds

	2021 Unrestricted Funds £	2020 Unrestricted Funds £
Newsletter/Prompt Corner	899	1,031
Club activities	177	604
	<u>1,076</u>	<u>1,635</u>

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

6 Expenditure on Charitable Activities

	2021 Unrestricted Funds £	2020 Unrestricted Funds £
Costs directly attributable to charitable activities		
Productions	7,131	8,622
Other production costs		-
Marketing and programmes	4,536	12,912
Bar and refreshments	4,104	13,539
Support and governance costs		
Theatre buildings maintenance	9,393	12,264
Theatre services and utilities	20,461	27,769
Stage, sound and lighting equipment	1,564	2,271
Insurance	10,176	10,725
Box office, internet sales and computers	15,536	16,565
Salary and national insurance	29,156	28,791
Other running costs and administrative expenses	4,753	9,233
Theatre development costs	-	34,418
Auditors fees	4,605	4,717
	<u>111,415</u>	<u>181,826</u>
	Restricted Funds £	Restricted Funds £
Support and governance costs		
Depreciation	25,479	25,479
	<u>25,479</u>	<u>25,479</u>

7 Staff costs

	2021 £	2020 £
Staff expenses includes the following employee costs:		
Wages and salaries	28,310	27,949
Pension costs	846	842
	<u>29,156</u>	<u>28,791</u>

No employee received benefits in excess of £60,000 (2020: Nil)

The average number of employees during the year was 1 (2020: 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 £29,156 (2020: £28,791)

No trustees received any remuneration for their services during the year (2020: £Nil). One trustee was reimbursed travel expenses of £nil (2020: £110)

The Abbey Theatre Trust has about three hundred members at any one time. In both 2020/21 and 2019/20 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.

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

8 Tangible fixed assets

	Long Leasehold	Equipment	Total
	£	£	£
Cost as at 1st September 2020	1,212,053	251,739	1,463,792
Additions	-	-	-
Cost as at 31st August 2021	<u>1,212,053</u>	<u>251,739</u>	<u>1,463,792</u>
Accumulated depreciation brought forward	374,945	176,081	551,026
Charge for the year	18,602	6,877	25,479
Accumulated depreciation carried forward	<u>393,547</u>	<u>182,958</u>	<u>576,505</u>
Net book value as at 1st September 2020	<u>837,108</u>	<u>75,658</u>	<u>912,766</u>
Net book value as at 31st August 2021	<u>818,506</u>	<u>68,781</u>	<u>887,287</u>

9 Fixed asset investments

	£
Market and Net book value as at 1st September 2020	471,620
Revaluations	95,691
Market and Net book value as at 31st August 2021	<u>567,311</u>

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

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

	2021	2020
Blackrock Throgmorton Trust PLC	5%	
Findlay Park Funds PLC	5%	
Morgan Stanley Inv Management	5%	
Blackrock Fund Managers Ltd	5%	
Blackrock Asset Management UK Ltd	5%	
Fundsmith LLP	7%	
Morgan Stanley Invnt Mngt (ACD) Ltd	5%	
T Rowe Price (Lux) Mgt SARL	5%	
Link Fund Solutions Ltd	6%	
Blackrock Charities UK Equity Fund	-	48%
M&G Equities Investment Fund for Charities	-	10%
M&G Episode Income Fund	-	24%
Cash from investments sold, on deposit	-	18%

10 Stocks

	2021	2020
	£	£
Refreshments and bar stock	<u>2,017</u>	<u>2,204</u>

11 Debtors

	2021	2020
	£	£
Trade debtors	573	152
Prepayments and accrued income	13,211	7,617
VAT debtor	4,570	2,089
	<u>18,354</u>	<u>9,858</u>

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

12 Creditors	2021	2020
	£	£
Accruals	6,558	5,784
Deferred income from advance ticket sales	2,559	1,037
Deferred income from advance membership subscriptions	2,375	2,320
Ticket sales for third parties' shows	1,628	10,368
Social security and other taxes	1,083	1,055
Other creditors	9,579	9,427
	<u>23,782</u>	<u>29,991</u>

13 Deferred income	2021	2020
	£	£
Deferred Income at 1st September 2020	3,357	7,555
Resources deferred in the year	4,943	3,357
Amounts released from previous years	<u>(3,357)</u>	<u>(7,555)</u>
Deferred Income at 31st August 2021	4,943	3,357

Deferred income comprises the following:		
Advance ticket sales	2,559	1,037
Advance membership subscriptions	2,375	2,320
Advance hires	-	-
	<u>4,934</u>	<u>3,357</u>

14 Statement of funds	Balance at	Movement in Resources		Transfers	Balance at
	01-Sep-20	Income	Expenditure		31-Aug-21
	£	£	£	£	£
Unrestricted funds					
General fund	60,000	100,438	(112,491)	12,053	60,000
Operating reserve	75,000	-	-	(12,053)	62,947
Development reserve	462,683	-	-	(462,683)	-
	<u>597,683</u>	<u>100,438</u>	<u>(112,491)</u>	<u>(462,683)</u>	<u>122,947</u>
Designated funds					
Development reserve	-	96,042	-	462,683	558,725
Restricted funds					
Building development fund	1,000	-	-	-	1,000
Tangible fixed asset reserve	912,766	-	(25,479)	-	887,287
St Albans Youth Music Theatre (SAYMT)	4,750	-	-	-	4,750
	<u>918,516</u>	<u>-</u>	<u>(25,479)</u>	<u>-</u>	<u>893,037</u>
Total funds	<u>1,516,199</u>	<u>196,480</u>	<u>(137,970)</u>	<u>-</u>	<u>1,574,709</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 deficit this year has been charged to the operating reserve since it was caused by the enforced closure of the theatre.

THE ABBEY THEATRE TRUST (ST. ALBANS) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

14 Statement of funds (continued)

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.

15 Analysis of net assets between funds

	Unrestricted Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total 2020 £
Tangible fixed assets	-	-	887,287	887,287	912,766
Fixed asset investments	2,836	558,725	5,750	567,311	471,620
Current assets	143,893	-	-	143,893	161,805
Creditors due within one year	(23,782)	-	-	(23,782)	(29,991)
Total	122,947	558,725	893,037	1,574,709	1,516,200

16 Lease commitments

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

	2021 £	2020 £
Less than one year	155	155
Two to five years	309	464

17 Related party transactions

The services of Cheryl Coltman (t/a Sorted) for office assistance were engaged for part of the prior 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 £0 (2020: £873) and the transaction was carried out at arms-length.

In 2021, the Trust hired sound equipment from Stuart Barry whose wife, Katherine Barry, is a Trustee. The amount paid was £200 (2020: £200) and the transaction in 2020 was carried out at below market price.

Anti-covid "fogging" treatments were carried out by a trustee, Mark Coltman, t/a Evolution Environmental, at a total cost of £1,650 (2020: £0). The Trustees had examined other quotations and specifications and concluded that Mr Coltman offered the best value for money and the most appropriate treatment.