

ERITH THEATRE GUILD LIMITED

(LIMITED BY GUARANTEE)

The Company is a Registered Charity No. 265765

REPORT AND ACCOUNTS 2023

COMPANY NUMBER: 445825

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TRUSTEES

M BATE	:	CHAIRMAN	A. DAVIES
R. BUTLER	:	VICE - CHAIRMAN	J. FENTON
N. GUENIGAULT	:	TREASURER	H. POCOCK
P PEARCE	:	SECRETARY	D. WITHAM
			A. WOOLLISCROFT

SECRETARY AND REGISTERED OFFICE

P PEARCE
38-40 Erith High Street
Erith
Kent DA8 1QY

INDEPENDENT EXAMINER

M S Finnis ACA, ACCA
OPASS BILLINGS WILSON & HONEY LLP
Numeric House
98 Station Road
Sidecup
Kent DA15 7BY

BANKERS

Co-operative Bank plc
Olympic house
6 Olympic Court
Montford Street
Salford
M5 2QP

ERITH THEATRE GUILD LIMITED

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(LIMITED BY GUARANTEE)

TRUSTEES' REPORT

The Trustees present their Report and unaudited Accounts of the Company for the year ended 31st August 2023. The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Charities SORP FRS 102 and the Charities (accounts and reports) Regulations 2008.

Governing Document

Erith Theatre Guild is a company limited by guarantee (company number 445825) and a registered charity (charity number 265765). The company was incorporated on 28 November 1947 under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Article of Association, as amended 13 July 1950, 18 June 1969 and 12 December 1973.

Board of Trustees

D Tallowin	<i>(Resigned 25th January 2023)</i>
G Frosdick	<i>(Resigned 25th January 2023)</i>
A J Woolliscroft	
A Davies	
D Whitham	
P Pearce	
H Pocock	
M Bate	
R Butler	
N Guenigault	<i>(Appointed 5th April 2023)</i>
J Fenton	<i>(Appointed 25th January 2023)</i>

The Company is Limited by Guarantee and therefore does not have any Share Capital.

Appointment of Members of the Board of Trustees

The Directors of the charitable company ("the Charity") are its Trustees for the purpose of Charity Law and throughout this Report are collectively referred to as the Members of the Board of Trustees. As set out in the Articles of Association, if there is at any time a vacancy in the Membership a new Trustee may be appointed by the Trustees in a General Meeting.

Induction and Training of Members of the Board of Trustees

Most new members of the Board of Trustees are already familiar with the practical work of the charity, having been involved with it for a number of years. They also undergo a short training session whereby they are familiarised with; the obligations of the Board of Trustees, the main documents which set out the operational framework of the charity including the memorandum and article, the current financial position and future plans and objectives.

Objects of the Charity

The charity's objective is to maintain, improve and advance education, particularly by the production of educational plays and the encouragement of the arts, including the arts of drama, mime, dance, singing, music and cinema particularly, but without in any way imposing a limitation.

During the period the Company's principal activity continued to be that of the undertaking of activities intending to promote the Arts of the Theatre.

To achieve these objectives the theatre has been rented to Erith Playhouse Limited for the production of the above, whilst continually maintaining and developing the theatre premises.

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONT.....)

Statement of Trustees' Responsibilities

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 Company and of the Profit or Loss of the Company for that period. In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the 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 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Organisational Structure

The charity's Board of Trustees is currently made up of 9 members who meet regularly and are responsible for deciding the strategic policy and direction of the charity.

There is a scheme of delegation in place whereby the day to day responsibility for the charity and the responsibility for ensuring the long term objectives are met rests with the Chairman, Vice Chairman, Treasurer and Secretary.

Review of Activities and Future Developments

The financial year ending 31 August 2023 has remained challenging. Inflationary rises have seen significant cost pressures, in particular utility costs. The cost-of-living crisis means that the Theatre is operating at difficult times when for many seeing a show is a luxury. We have noticed a significant shift away from advanced bookings which makes planning difficult. The Board of Management have considered this when reviewing our pricing and hiring models.

During the last year general maintenance has been planned and completed to keep in line with health and safety laws and to keep the theatre at a high standard for both our members and audiences. We've had some significant issues with drainage, particularly affecting the toilets which has required substantial investment. The Board is updating and prioritising the projects list to ensure that we plan for potential investment in the theatre. There is still a great need to focus on how the theatre can reduce energy costs going forward and such projects will be prioritised after essential health and safety works.

The Guild Playhouse has once again been able to allow its doors to open to other arts groups, supporting other arts organisations. This year has seen shows from the Nicky Bate School of Dance, The Two Bows, Erith Operatic Society, Theatre Box and Paula Gosnell Dance School.

The Board wishes to thank all members who have in any way supported the theatre over the past year. We have seen a wide variety of shows which really isn't possible without the support of our members on stage, offstage and front of house.

As always there is still a need for all members to pull together to support the Theatre to ensure that we can continue both run and enjoy this vital asset to the community.

Volunteers

The charity is totally dependant on the services of volunteers for all aspects of running the charity.

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TRUSTEES' REPORT (CONT.....)

Investment Policy

It is the policy of the charity to utilise the majority of the incoming resources in the short term for the furtherance of the charity's objectives. As a result there are few funds available for new long term investment. The charity does own the leasehold of the theatre which ties up a significant amount of the available reserves of the charity. The theatre is maintained to a high standard in order to preserve and enhance the value of this investment.

Reserves Policy

The unrestricted funds are expendable at the discretion of the Board of Trustees in furtherance of the objects of the charity. The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are also held to cover possible emergency repairs to the theatre and other expenditure.

Working Capital	100,000
Future repairs to the Theatre premises	40,000
Investment in the theatre premises, stage equipment and other items of equipment	<u>120,000</u>
Total Unrestricted Funds	<u><u>260,000</u></u>

Risk Policy

It is in the nature of voluntary organisations that expertise and know-how can become concentrated amongst a few individuals such that their indisposition could result in operational difficulties.

The Board of Trustees have reviewed the major risks to which the charity is exposed.

Erith Theatre Guild Limited's main source of income is from the covenanted surplus generated annually by it's linked trading company, Erith Playhouse Limited . In turn Erith Playhouse Limited's main source of income is from ticket sales for the 10 shows presented in the Spring and Autumn seasons each year. This income is supplemented by other trading activities including bar and sweet kiosk sales, the fortunes of which are inevitably linked to the shows they support.

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TRUSTEES' REPORT (CONT.....)

Risk Policy (Cont....)

Both Erith Theatre Guild Limited and Erith Playhouse Limited are amateur organisations staffed entirely by volunteers, who in many cases have jobs by day. The main risks to income at Erith Playhouse Limited can be summarised as:-

- in the event that a production cannot proceed, if for example key members or a significant number of the cast became ill immediately before or during a production, there would be loss of income related to foregone ticket sales and related turnover at the bar and the kiosk. At the same time expenditure already committed to a production (with the exception of licence fees) could not be recouped. Because some three shows are under preparation at any one time, and there is no system of understudies, it is unlikely that cast members could be replaced at short notice;

- there would also be a fall in income in the event that Playhouse productions were unpopular or badly presented. This could result in depressed ticket sales not only for a specific production which fell below the necessary standard but also in the nature of a knock-on effect later in the season. In other words the theatre lives by its reputation, and to sustain this a healthy membership and good directors are essential;

- the Board also needs to be vigilant to matters of public safety and the safety of members, much of which liability is insured. However it is also to provide up to date, comfortable facilities. Much of the income is spent on updating and improving the building, and there is an ongoing, rolling programme of improvement and maintenance;

- allied to the above, there is the risk of damage to the building, its facilities or services which can severely prejudice a production. Loss of goodwill and audience confidence can have a damaging long term effect. To this extent the Board has a policy of always maintaining uncommitted funds (currently £20,000 - £25,000) against the possibility of immediate or essential maintenance's

Accountants

M Finnis ACA, ACCA of Messrs Opass Billings Wilson & Honey LLP has indicated his willingness to be re-appointed and a resolution to give effect to this will be proposed at the Annual General Meeting of the Company.

BY ORDER OF THE BOARD



M. BATE - Chairman

Dated: 15-03-2024

Independent Examiner's Report to the Trustees of Erith Theatre Guild Limited

I report on the accounts of the company for the year ended 31st August 2023 which comprise the statement of financial activities, statement of financial position and the related notes.

Responsibilities and basis of report

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

It is my responsibility to:

1. examine the accounts under section 145 of the 2011 Act;
2. to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
3. to state whether particular matters have come to my attention.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



M Finnis ACA, ACCA
Opass Billings Wilson & Honey LLP
Numeric House
98 Station Road
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15-03-2024
Date

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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST AUGUST 2023

	<u>Notes</u>	<u>Unrestricted Funds</u>		<u>Total Funds</u>	
		<u>Capital Fund</u>	<u>General Fund</u>	<u>2023</u>	<u>2022</u>
		<u>£</u>	<u>£</u>		<u>£</u>
<u>INCOME</u>					
Donations and Legacies	2 (a)	-	33,471	33,471	31,514
Investment Income	2 (b)	-	796	796	562
Other Income	2 (c)	-	12,064	12,064	11,120
Total Income		-	46,331	46,331	43,196
<u>EXPENDITURE</u>					
Charitable activities	3	-	57,196	57,196	45,801
Total Expenditure		-	57,196	57,196	45,801
Net movement in funds		-	(10,865)	(10,865)	(2,605)
Total Funds Brought Forward 1st September 2022		3,234	275,561	278,795	281,400
Total Funds Carried Forward at 31st August 2023		3,234	264,696	267,930	278,795

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STATEMENT OF FINANCIAL POSITION

31ST AUGUST 2023

	<u>Schedule</u>	<u>2023</u>	<u>2022</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible Assets	5	140,469	148,621
<u>CURRENT ASSETS</u>			
Erith Playhouse Ltd		41,046	48,494
Prepayments		5,920	5,530
Cash at Bank and in Hand		86,823	78,939
		<u>133,789</u>	<u>132,963</u>
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>			
Accruals and Deferred Income		<u>6,328</u>	<u>2,789</u>
		<u>6,328</u>	<u>2,789</u>
<u>NET CURRENT ASSETS</u>		127,461	130,174
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>267,930</u>	<u>278,795</u>
<u>CAPITAL AND RESERVES</u>			
Capital Fund - Unrestricted		3,234	3,234
General Fund - Unrestricted		<u>264,696</u>	<u>275,561</u>
		<u>267,930</u>	<u>278,795</u>

For the year ending 31 August 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustee's responsibilities:

- (i) The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476;
- (ii) The trustee acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of trustees and authorised for issue on....., and are signed on behalf of the board by:



M. BATE



N. GUENIGAULT

15-03-2024 Dated

Company Registration Number: 445825

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Companies Act 2006 and the Statement of Recommended Practice : FRS 102 SORP.

b) Incoming Resources

Voluntary income including donations, covenants and subscriptions that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Income from charitable activities includes theatre rental income which is recognised when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

c) Grant Income

The company did not receive any income from grants during the year.

d) Resources Expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related costs are recognised as goods or services are supplied.

- Charitable activities include expenditure associated with the maintenance and general running of the theatre and include both the direct costs and support costs relating to these activities.

- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

e) Depreciation Rates

Depreciation is charged to Theatre Expenses on the Company's Assets on the following basis:-

(i) Electrical Equipment at 15% per annum on the reducing balance of the Assets.

(ii) General Stage Equipment at 15% per annum on the reducing balance of the Assets.

(iii) Auditorium Refurbishment on straight line basis over 20 years.

(iv) Lease on straight line basis over 60 years.

(v) Property Improvements 10 year straight line.

f) In the opinion of the Directors the Profit and Loss Account formats required by Format 1 of schedule 1 to the 2008 regulations (Companies Act 2006) are inappropriate and may be liable to mislead. The format of the Statement of Financial Activities forming part of these Accounts affords, in the view of the Directors, a more satisfactory and informative presentation of a true and fair view of the Company's results and has been adopted accordingly.

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NOTES TO THE ACCOUNTS

31ST AUGUST 2023

g) Financial Instruments

The theatre only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

h) Debtors

Debtors are initially recorded at fair value and are assessed for impairment at each year end date. If any impairments exist the debtors are remeasured to the present value of the expected future cash inflows.

i) Creditors

Creditors are initially recorded at fair value and are then remeasured to the present value of the expected future cash outflows.

(LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

31ST AUGUST 2023

Schedule	Unrestricted Funds		Total 2023 £	Total 2022 £
	Capital	General		
	Fund 2023 £	Fund 2023 £		
2. INCOME				
a) Donations and Legacies				
Donations	-	812	812	10,020
Erith Playhouse Limited (under covenant)	-	31,043	31,043	20,373
Membership Subscriptions	-	1,616	1,616	1,121
	-	33,471	33,471	31,514
b) Investment income				
Bank Interest Received	-	796	796	562
	-	796	796	562
c) Other Income				
Rental income Erith Playhouse Limited	-	6,000	6,000	6,000
Theatre Hire	-	6,064	6,064	1,120
Grant Income	-	-	-	4,000
	-	12,064	12,064	11,120
TOTAL INCOME	-	46,331	46,331	43,196

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(LIMITED BY GUARANTEE)NOTES TO THE ACCOUNTS31ST AUGUST 2023

	<u>Schedule</u>	<u>Unrestricted Funds</u>		
		<u>Capital</u> <u>Fund</u> <u>2023</u>	<u>General</u> <u>Fund</u> <u>2023</u>	<u>Total</u> <u>2023</u>
				<u>Total</u> <u>2022</u>
3. EXPENDITURE				
a) Costs directly related to activities				
Theatre Rent and Rates		-	1,353	1,353
Theatre Insurance		-	16,839	16,839
Theatre Repairs and Maintenance		-	6,786	6,786
		-	24,978	24,978
				20,734
b) Support costs allocated to activities				
Telephone		-	1,536	1,536
Postage and Stationery		-	352	352
General Expenses		-	5,026	5,026
Advertising		-	560	560
Related Depreciation		-	15,428	15,428
Theatre Heating		-	7,435	7,435
Governance Costs	3c)	-	1,881	1,881
		-	32,218	32,218
				25,067
TOTAL EXPENDITURE		-	57,196	57,196
				45,801
c) Governance costs				
Accountancy Fee		-	1,250	1,250
(Over)/Under provision of Accountancy Fee		-	496	496
Bookkeeping		-	135	135
		-	1,881	1,881
				1,578

	<u>2023</u>	<u>2022</u>
4. <u>NET INCOMING RESOURCES FOR THE YEAR</u>		
This is stated after charging:	£	£
Depreciation	<u>15,428</u>	<u>13,711</u>

5. TANGIBLE ASSETS

	<u>Freehold Land</u>	<u>Leasehold Property & Improvements</u>	<u>Electrical Equipment</u>	<u>General Stage Equipment</u>	<u>Auditorium Refurbishment</u>	<u>Total</u>
<u>Cost</u>						
Balance Brought Forward	104	134,933	50,270	10,773	175,029	371,109
Additions	-	-	-	-	7,275	7,275
Balance Carried Forward	<u>104</u>	<u>134,933</u>	<u>50,270</u>	<u>10,773</u>	<u>182,304</u>	<u>378,384</u>
<u>Depreciation</u>						
Balance Brought Forward	-	74,509	37,772	10,701	99,506	222,488
Depreciation for the year	-	5,192	1,875	11	8,350	15,428
Balance Carried Forward	<u>-</u>	<u>79,701</u>	<u>39,647</u>	<u>10,712</u>	<u>107,856</u>	<u>237,916</u>
<u>Net Book Values at:</u>						
31st August 2023	<u>104</u>	<u>55,232</u>	<u>10,623</u>	<u>62</u>	<u>74,448</u>	<u>140,469</u>
31st August 2022	<u>104</u>	<u>60,424</u>	<u>12,498</u>	<u>72</u>	<u>75,523</u>	<u>148,621</u>

6. DEBTORS

	<u>2023</u>	<u>2022</u>
Erith Playhouse Ltd	40,769	48,494
Prepayments	<u>266</u>	<u>5,530</u>
	<u>41,035</u>	<u>54,024</u>

(LIMITED BY GUARANTEE)NOTES TO THE ACCOUNTS31ST AUGUST 2023

	<u>2023</u>	<u>2022</u>
7 CASH AT BANK AND IN HAND		
Bank Current Account	24,153	17,064
Deposit Account	42,351	41,671
Building Society Account	20,319	20,204
	<u>86,823</u>	<u>78,939</u>
8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Accruals and Deferred Income	3,805	1,370
Other Creditors	1,000	1,000
VAT	1,523	419
	<u>6,328</u>	<u>2,789</u>
9. CONTINGENT LIABILITIES		
As part of the new Lease Agreement for the Theatre with the Local Authority, Erith Theatre Guild Limited will be required to carry out various improvements and repairs to the property.		
10. CALLED UP SHARE CAPITAL		
The Company is Limited by Guarantee not having a Share Capital.		
11. RELATED PARTY TRANSACTIONS		
During the year the company received £31,043 under Deed of Covenant from Erith Playhouse Limited.		
During the year the company received £6,000 from Erith Playhouse Limited for the hire of the theatre.		
At the year end the company was owed £41,046 by Erith Playhouse Limited.		
The companies are related by virtue of them being under the control of the same board of directors.		