

Chipping Norton Theatre Limited (The)

Registered Company Number: 1179918

Registered Charity Number: 268154

Accounts

For the year ended

31st March 2022

Wenn Townsend

Chartered Accountants

Oxford

Chipping Norton Theatre Limited (The)

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Chipping Norton Theatre Limited (The)

Company Number: 1179918 (England and Wales)

Registered Charity Number: 268154

Trustees: A Brander
R Greaves (Chair)
K Grive (known as F Grive)
C Peake
S Sheppard
T Sumner
P Wilson
L Whordley-Hughes

Secretary: J Robinson

Registered Office: 2 Spring Street
Chipping Norton
Oxfordshire
OX7 5NL

Accountants: Wenn Townsend
Chartered Accountants
30 St Giles
Oxford
OX1 3LE

Bankers: Barclays Bank Plc
Financial Services Section
P O Box 11
Oxford
OX3 9YD

Theatre Artistic Director: J Terry

General Manager: J Robinson

Chipping Norton Theatre Limited (The)

Report of the Council of Management for the year ended 31st March 2022

Members of the Council of Management present their report with the financial statements of the charitable company for the year ended on 31st March 2022.

The financial statements comply with the current statutory requirements, the Memorandum and Articles of Association and the provisions of the Statement of Recommended Practice (0) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

References and Administration Details

Constitution

The Chipping Norton Theatre Ltd is a company limited by guarantee and a registered charity Number 268154, Company Number 1179918 (England and Wales).

Directors and Trustees

The members of the Council of Management, who are directors for the purposes of Company Law and trustees for the purposes of Charity Law, are referred to interchangeably as such.

As set out in the Articles of Association, the Chair of Council is elected by its members. After three years' service members of Council retire by rotation at annual general meetings and may, if willing to act, be reappointed. The members of the charitable company may by ordinary resolution appoint a person who is willing to act, to be a member of Council, either to fill a vacancy or as an additional member.

The members of Council who served during the year and since the year end were as shown on page 1 and that page also provides the legal and administrative information.

Day to day management, under the direct control of the Council of Management, is delegated to The Theatre's Artistic Director.

Structure, Governance and Management

The Chipping Norton Theatre Limited was incorporated on 6th August 1974 as a private company, limited by guarantee and not having a share capital, under a Memorandum of Association dated 15th July 1974.

Members of Council must be a member of the charitable company. Prospective members of Council may be invited to observe Council meetings, but if elected to full membership must also become Members of the Company.

The present membership of Council represents a wide range of the necessary knowledge and experience – theatre management, finance, fundraising, legal matters – and continuity of relevant experience is regarded as important, combined with a regular audit of skills.

On appointment, new members of Council are provided with an information pack and a full briefing from the Chair, the Theatre's Artistic Director and the General Manager. Members of Council are regular attendees at the various events that are put on in The Theatre.

Council meetings are also attended, as observers, by representatives of The Theatre's regular statutory funding bodies, including local authority bodies.

The Council of Management administers the charity. The Council normally meets quarterly and there are sub-committees covering fundraising, finance and audits which also meeting quarterly. A Director is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Director has delegated authority, within terms of delegation approved by the trustees, for some operational matters to members of the Senior Management Team.

All member of the Council of Management give of their time freely and no trustee received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 11 to the accounts. The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the levels are benchmarked against pay levels in other provincial theatres of a similar size run on a voluntary basis. The remuneration benchmark is on the lower end of the range paid for similar roles. If recruitment has proven difficult in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role. Senior staff were paid a total of £102,513 (2021: £104,869).

Chipping Norton Theatre Limited (The)

Report of the Council of Management for the year ended 31st March 2022

Structure, Governance and Management (continued)

The Theatre benefits from the support of over 1,200 Friends and The Chipping Norton Theatre and Friends Trust, two of whose trustees are appointed by Council. They provide significant and invaluable financial support to The Theatre. It is worth noting that without significant additional fundraising in each year, the resources of the Trust will be depleted; The Theatre therefore has an important fundraising function to deliver in the short to medium term.

With regard to risk, insurance cover is in place for the normal risks of operating The Theatre. Beyond this the principal uninsurable risks are:

- the loss of, or significant reduction in total revenue funding from statutory and local authority bodies and from private trusts and individuals;
- short-term adverse trading conditions affecting the locality;
- the building is particularly old and could at any time require significant funds to be spent, of which the Theatre currently does not have enough reserves to cover;
- failure to raise sufficient charitable donations to maintain liquid asset levels.

The occurrence of the first of these risks would necessitate major changes to the ways in which the Theatre operates and would almost certainly lead to a reduction in the range of activities in the medium term. Against the second category of risk, the strategy is to constitute an appropriate general reserve divided between the charitable company itself and the associated Theatre and Friends Trust. The relevance of these strategies is kept under review by the Council.

Objectives, Activities and Public Benefit

The Company is established to promote, maintain, improve, and advance education, particularly by the promotion and production of educational plays and concerts and the encouragement of the Arts. Alongside a live and film programme The Theatre aims to support the community through an extensive Take Part programme of workshops and participatory activities. In doing so it normally welcomes more than 53,000 people each year to around 500 events. The past year continued to be significantly affected by the COVID pandemic with the reopening of The Theatre going ahead in late May 2021 and the start of a gradual return to full programming and full audiences. The theatre also opened its first Al Fesco season in gardens and outdoor spaces around the county.

The Theatre and the Trustees felt it was vital to keep providing the social benefits and charitable objectives that The Theatre is established to provide despite the uncertain climate it was operating in.

During the year under review, the Theatre set out to:

- provide accessible, popular programming (received and produced)
- offer innovative and challenging work (received and produced)
- provide participatory activities and workshops across all art forms, often in a digital format, but moving back in person as and when safe and legal to do so.
- encompass equality and diversity in all areas

In this it was supported by the following resources and strategies:

- audience development and marketing
- resources - people and places
- continuing development and funding partnerships

Activities included:

- The Theatre received 78 live performances, and screened 152 films and live streamings along with 3 private hires, 10 outdoor films, 15 outdoor live performances and 7 performances of an in house produced show 'Jeeves and Wooster in Perfect nonsense which then move to The Barn, Cirencester.
- The annual pantomime *Rapunzel*, which had originally been scheduled for Christmas 2022, was performed 92 times and seen by 13273 in person audience and by 82 groups digitally from their home or school.

Chipping Norton Theatre Limited (The)

Report of the Council of Management for the year ended 31st March 2022

Objectives, Activities and Public Benefit (continued)

- A series of outdoor Al Fresco events were planned throughout the summer, including outdoor cinema and live events. These were held about multiple private gardens, estates and public areas. They were held for a number of reasons; one being the on going safety for audiences.
- After a year of digital workshops or a few in person sessions the standard programme of Take Part activities returned. It included weekly Youth Theatre groups, Creative Writing, Adult Drama, Dance 50, Youth Musical Theatre, Saturday Drama, the Chipping Norton Singers, relaxed screenings, Holiday workshops, Lets Sing and Great Company.
- We ran more than 789 sessions during the year for 756 regular participants. Many of the classes remained with restricted social distancing for part of the year, but, once lifted, the attendance numbers were growing back to pre pandemic levels.
- With the support of S106 funding The Theatre ran 'Shadow Stories': a project targeting 12 young people who face barriers to engaging with the theatre, where young people referred by St Mary's community & outreach team, Chippy Larder & the schools' nurture and family support teams worked with creative company Artburst to devise their own puppetry based performance which they shared on our stage at the end of the week.
- With the support of HAF funding The Theatre ran 2 weeks of drama workshops for St Mary's community outreach team consisting of two, week-long drama workshops for young people entitled to free school meals, delivered by the theatre for St Mary's church community & outreach. Each week saw young people working together, creating their own devised performance which was shared with friends and family at the end of the week on our professional stage.
- With the financial support of S106 and from Cottsway Community Fund the Theatre ran 'Acting Out': a targeted youth theatre for 14 young people who face financial & other barriers to getting involved in youth theatre. This was a transition project to support the participants from the 3 weeks of summer projects to work towards entry into youth theatre on bursaries. It had additional support & was held up at Glyme Hall. Participants devised their own show for the youth theatre showcase and performed alongside their peers in 'Behind the Mask'. We are delighted that 12 of the Acting Out participants have now joined youth theatre supported by our bursary scheme
- With no external financial support The Theatre ran Free School Meals – given out each holiday, helping the theatre support and welcome families from the town who face financial barriers to accessing the theatre.
- 9 bursaries for Take Part activities were offered during the year to those on low incomes or experiencing hardship. This increases to 22 the following year once all social distancing restrictions are lifted.
- The Theatre returned to offering a regular programme of 'Community Tickets', given out via partners at the food bank, church and doctors surgery.
- 3 art exhibitions were displayed by local professional artists and local amateur groups and schools, and an outdoor exhibition of local history called 'Memory Lanes' was curated by the Take Part department and displayed around the town during social distancing measures.
- During the year various large scale investments were made in the building including, new commercial boilers, new cabling, a new LED house light system and refurbishments/repairs on the main front of the theatre.

The Theatre would like to thank all of its sponsors and funders that have supported activities throughout the year, and all of the individuals, Friends and Patrons for their ongoing support:

- The Theatre was sponsored by:

Better Leisure (Panto Fun Run)
Cleenol Group Ltd (Cleaning Partner)
Cotswold.org (Marketing Partner)
Kingham Hill School (Pantomime - Rapunzel)
McCarthy Stone (Take Part)
Mr Simms Olde Sweet Shoppe (Chippy Rebels/Panto Sweets)
Owen Mumford (Owen Mumford Gallery and Cinema Bambino)
QCR/Mypower (Outdoor Cinema at Chipping Norton Rugby Club)
Wigwam Self Storage (Storage Partner)
Wise Investment (The Theatre)

Chipping Norton Theatre Limited (The)

Report of the Council of Management for the year ended 31st March 2022

Objectives, Activities and Public Benefit (continued)

- The Theatre was funded by:

The National Lottery through Arts Council England
Chipping Norton Town Council
Patrons and Friends of The Theatre Chipping Norton
West Oxfordshire District Council
Parish Councils (Churchill & Sarsden, Enstone, Kingham, Oddington)

Albion Trust
Aird Clabon Charitable Trust
Aspinwall Educational Trust
Cottsway Community Fund
Doris Field Charitable Trust
Elizabeth Jackson Charitable Trust
Garfield Weston Foundation
Lennox Hannay Charitable Trust
McLay Dementia Trust
PF Charitable Trust
Schuster Charitable Trust
Stella Symonds Charitable Trust
Walter Higgs Charitable Trust

Our thanks to all our generous individual donors, including those that wish to remain anonymous, special mention to Tony and Judith Yarrow, Michael and Clara Freeman for their support towards capital improvements and to Maddy Meason for her huge London Marathon effort.

The Theatre benefits from the invaluable support of around 75 volunteers as theatre ushers and also has volunteers within archiving, fundraising, general admin and costume. The Theatre would be unable to function in its current form without the support of our volunteers and their time and contribution is hugely appreciated.

The Theatre would like to thank the team of permanent and casual staff amounting to 35 individuals and its team of freelance Take Part practitioners; all of whom have worked incredibly hard to reopen and rebuild the theatre coming out of the pandemic.

Fundraising

Members of The Theatre's fundraising department organise events and carry out fundraising activities in order to generate funds for the charity. The Theatre does not use professional fundraisers or involve commercial participators. There have been no complaints about fundraising activity this year.

All the charity's marketing activities are undertaken directly to ensure that is not unreasonably persistent or intrusive. Marketing materials contain clear details of how to unsubscribe to future communications and care is taken to limit the level of communications being sent out.

Financial Review

This year The Theatre generated a deficit of £34,600 (2021: surplus of £154,964). The surplus made in 2020-21 will be used, now that national pandemic finance support has come to an end, to support The Theatre through a gradual process of returning audience confidence and returning back to pre-COVID levels of activity.

The Council of Management has an agreed Reserves Policy in place and as at 31st March 2022 total funds were £1,081,196 including restricted funds of £898,991. The Theatre's free reserves were £182,205 (2021: £199,672).

The Chipping Norton Theatre Trust, an independent charity providing grant support to The Theatre, made funding payments of £12,000 to The Theatre. The Friends of The Theatre raised £42,149 (2021: £30,219) in membership income, which has supported the core costs of the theatre and various repairs of the building.

Chipping Norton Theatre Limited (The)

Report of the Council of Management for the year ended 31st March 2022

Statement of the Council of Management's responsibilities

The Council of Management are required by law to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the charitable company's activities for that period. In preparing those financial statements the Council of Management are required to follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 Council of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the charitable company's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far the Trustees are aware:

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

Auditors

A resolution will be proposed at the Annual General Meeting that Wenn Townsend be re-appointed auditors to The Theatre for the ensuing year.

This report was approved by the Board of Directors and the Council of Management on 6th December 2022.

.....
R Greaves

Trustee

2 Spring Street
Chipping Norton
Oxfordshire OX7 5NL

Chipping Norton Theatre Limited (The)

Report of the Independent Auditors To The Members of Chipping Norton Theatre Limited (continued)

Opinion

We have audited the financial statements of The Chipping Norton Theatre Limited (the 'charitable company') for the year ended 31st March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- 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 charitable 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. 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.

Chipping Norton Theatre Limited (The)

Report of the Independent Auditors To The Members of Chipping Norton Theatre Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (incorporating the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

- Enquiry of management, those charged with governance and management around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Chipping Norton Theatre Limited (The)

**Report of the Independent Auditors
To The Members of Chipping Norton Theatre Limited (continued)**

Auditor's responsibilities for the audit of the financial statements (continued)

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....

**Mr Andrew Rodzynski FCA
Senior Statutory Auditor
For and on behalf of Wenn Townsend
Statutory Auditor
Oxford**

Date: 6th December 2022

Chipping Norton Theatre Limited (The)

Statement of Financial Activities
(including income and expenditure amount)
for the year ended 31st March 2022

	Note	Unrestricted Funds £	Restricted Funds £	2022 £	Unrestricted Funds £	Restricted Funds £	2021 £
Income and endowments							
Donations and legacies	4	273,898	14,401	288,299	636,957	80,000	716,957
Activities for raising funds	5	99,857	-	99,857	26,724	-	26,724
Investment income	6	11	-	11	199	-	199
		<u>373,766</u>	<u>14,401</u>	<u>388,167</u>	<u>663,880</u>	<u>80,000</u>	<u>743,880</u>
<i>Income from charitable activities</i>	7	736,583	-	736,583	82,353	-	82,353
Total income		<u>1,110,349</u>	<u>14,401</u>	<u>1,124,750</u>	<u>746,233</u>	<u>80,000</u>	<u>826,233</u>
Expenditure							
<i>Costs of raising funds:</i>							
Costs of raising voluntary income	8	51,371	312	51,683	37,585	593	38,178
Costs of activities for raising funds	9	115,012	937	115,949	60,679	1,779	62,458
<i>Expenditure on charitable activities</i>	10	961,733	29,985	991,718	513,704	56,929	570,633
Total expenditure		<u>1,128,116</u>	<u>31,234</u>	<u>1,159,350</u>	<u>611,968</u>	<u>59,301</u>	<u>671,269</u>
Net movement of funds in year		(17,767)	(16,833)	(34,600)	134,265	20,699	154,964
Total funds brought forward at 1st April 2021		<u>199,972</u>	<u>915,824</u>	<u>1,115,796</u>	<u>65,707</u>	<u>895,125</u>	<u>960,832</u>
Total funds carried forward at 31st March 2022		<u>182,205</u>	<u>898,991</u>	<u>1,081,196</u>	<u>199,972</u>	<u>915,824</u>	<u>1,115,796</u>

The charitable company has made no acquisitions nor discontinued any operations during either of the above two financial years, therefore incoming resources and net outgoing resources derive entirely from continued operations.

The annexed notes form part of these financial statements.

Chipping Norton Theatre Limited (The)

Balance Sheet
at 31st March 2022

	Note	£	2022 £	£	2021 £
Tangible fixed assets					
Tangible assets	13		884,489		887,489
Current assets					
Stocks	14	4,989		2,614	
Debtors	15	161,955		145,476	
Bank accounts		231,140		341,153	
Cash accounts		292		967	
			<u>398,376</u>	<u>490,210</u>	
Current liabilities					
Creditors: Amounts falling due within one year	16	(201,669)		(261,903)	
Net current assets / (liabilities)			<u>196,707</u>		<u>228,307</u>
Net assets			<u>1,081,196</u>		<u>1,115,796</u>
Represented by:-					
Capital funds					
Restricted funds	17		898,991		915,824
Unrestricted funds	17		182,205		199,972
Total funds			<u>1,081,196</u>		<u>1,115,796</u>

The financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Council of Management on 6th December 2022 and signed on their behalf by:

.....
R Greaves
Trustee

The annexed notes form part of these financial statements.

Chipping Norton Theatre Limited (The)

**Statement of Cash Flows
for the year ended 31st March 2022**

	Note	2022 £	2021 £
Cash used in operating activities	20	(110,699)	231,221
Cash flows from investing activities			
Interest income		11	199
Cash provided by investing activities		11	199
Increase/(decrease) in cash and cash equivalents in the year		(110,688)	231,420
Cash and cash equivalents at the beginning of the year		342,120	110,700
Total cash and cash equivalents at the end of the year		<u>231,432</u>	<u>342,120</u>

Chipping Norton Theatre Limited (The)

Notes to the financial Statements for the year ended 31st March 2022

1. Accounting policies

a) Basis of preparation

These accounts have been prepared on an accruals basis and include income and expenditure as they are earned or incurred, rather than as cash is received or paid. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The accounts include all the transactions, assets and liabilities for which the Charity is responsible in law.

The Charity constitutes a public benefit entity as defined by FRS 102.

b) Income

Voluntary income, including donations, gifts and grants are recognised where there is entitlement, certainty of receipt and the amount can be reliably measured. Voluntary income is deferred where the donor has specified that the donation or grant must be used in a future accounting period.

Investment income is recognised on a receivable basis.

Income from charitable activities is recognised as earned through the provision of goods and services.

All income is stated net of VAT.

Income is deferred where admission fees or performance related grants are received in advance of the performances or events to which they relate.

c) Depreciation and diminution in value of assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	None	
Theatre equipment	25%	reducing balance basis
Vehicles	25%	reducing balance basis

No depreciation is provided on the freehold buildings to the extent that the residual value is in excess of the cost.

d) Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

e) Leasing

Rentals paid under operating leases are charged to the income and expenditure account on straight line basis over the term of the lease.

f) Accounting disclosures

In common with many other companies of our size and nature we use our auditors to assist with the preparation of the accounts.

g) Irrecoverable VAT

The Charity is treated as partially exempt for VAT purposes and as such is not able to reclaim all of its input VAT. The amount of irrecoverable VAT is included within support costs.

Chipping Norton Theatre Limited (The)
Notes to the financial Statements (continued)
for the year ended 31st March 2022

1. Accounting policies (continued)

h) Expenditure

Expenditure is recognised when a liability is incurred.

Costs of generating funds are those costs incurred in attracting voluntary income in the form of donations and gifts.

Charitable activities include all direct costs and support costs associated with the staging of performances and participation or education activities.

Governance costs represent those costs incurred in the overall governance of the charities and are primarily associated with the cost of complying with constitutional and statutory requirements.

Support costs represent central function costs and overheads. These costs have been allocated to a category using a suitable apportionment percentage based on the costs directly attributable to each category.

i) Pension costs

The charity operates a defined contribution scheme for the benefit of qualifying employees. The costs of contributions are recognised in the year in which they become payable.

j) Fund accounting

Unrestricted funds consist of a general fund which the Trustees may use at their discretion for the furtherance of the objects of the Charity.

Restricted funds are subject to specific conditions imposed by the donor or by the terms of an appeal, those conditions being legally binding upon the Trustees.

k) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

l) Operating leases

The charity classifies the lease of printing, specialist lighting and audio equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight line basis over the term of the lease.

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The Charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Chipping Norton Theatre Limited (The)

Notes to the financial Statements (continued) for the year ended 31st March 2022

1. Accounting policies (continued)

q) Going concern

In common with the rest of the theatre industry, the Trustees acknowledge that the COVID-19 pandemic, the current level of inflation and predicted recession have all created challenges for the sector. During the pandemic, The Theatre took every possible support avenue available to it. This included applications under the Cultural Recovery Fund, use of the Coronavirus Job Retention Scheme and applications to numerous private Trusts. All of these contributed to being able to operate at a surplus for the year ended 31st March 2021 and a modest deficit for the year ended 31st March 2022 with free reserves held at a level consistent with the Trustees' reserves policy.

The Theatre will continue to react swiftly and shrewdly to all external factors, as it has done with its financial decisions over the previous two years, in order to protect its on-going feasibility and to continue to fulfil its charitable objectives.

The Trustees are satisfied that the Theatre has adequate reserves and that the forecasts for the next twelve months and beyond are suitably positive for the accounts to be prepared on a going concern basis.

2. Legal status of the charity

The Charity is a company limited by guarantee, incorporated in England and Wales. The liability of the members in the event of a winding up is limited to an amount not exceeding £1 per member.

3. Net movement of funds

	2022 £	2021 £
This is stated after charging:		
Auditors' remuneration – audit of the financial statements	7,200	4,400
– tax compliance services	375	300
– accountancy services	14,300	11,400
Depreciation of owned assets	3,000	3,000
	<u>25,075</u>	<u>19,100</u>

4. Donations and legacies

	Unrestricted £	Restricted £	2022 £	2021 £
Fundraising and donations	72,218	-	72,218	195,139
Chipping Norton Theatre and Friends Trust	12,000	-	12,000	12,000
Friends' Committee Funds	42,149	-	42,149	30,219
Revenue grants	70,341	14,401	84,742	81,548
Government grants				
- JRS income (furlough)	34,450	-	34,450	157,753
- Small business grants	16,750	-	16,750	41,007
- WODC annual support funding	25,900	-	25,900	26,170
- Arts Council England - CRF	-	-	-	173,121
	<u>273,898</u>	<u>14,401</u>	<u>288,299</u>	<u>716,957</u>

Chipping Norton Theatre Limited (The)

**Notes to the Financial Statements (continued)
for the year ended 31st March 2022**

5. Activities for raising funds

	Unrestricted £	Restricted £	2022 £	2021 £
Sponsorship	19,832	-	19,832	11,308
Front of house trading	68,756	-	68,756	6,651
Lettings	9,518	-	9,518	8,510
External services provision	1,751	-	1,751	255
	<u>99,857</u>	<u>-</u>	<u>99,857</u>	<u>26,724</u>

6. Investment income

All of the investment income arises from interest received on interest-bearing deposit and current accounts.

7. Income from charitable activities

	Unrestricted £	Restricted £	2022 £	2021 £
Pantomime	284,726	-	284,726	24,820
Live programme	158,544	-	158,544	6,646
External events	48,366	-	48,366	17,361
Cinema	55,559	-	55,559	8,031
Take Part programme	69,044	-	69,044	16,937
Productions and projects	28,110	-	28,110	-
Booking fee and other income	20,472	-	20,472	1,649
Theatre tax relief	71,762	-	71,762	6,909
	<u>736,583</u>	<u>-</u>	<u>736,583</u>	<u>82,353</u>

8. Costs of raising voluntary income

	Unrestricted £	Restricted £	2022 £	2021 £
Fundraising				
- staff	33,890	-	33,890	29,798
- other costs	13,114	-	13,114	3,946
Support costs (see note 12)	4,367	312	4,679	4,434
	<u>51,371</u>	<u>312</u>	<u>51,683</u>	<u>38,178</u>

9. Costs of activities for raising funds

	Unrestricted £	Restricted £	2022 £	2021 £
Front of house				
- staff	68,075	-	68,075	41,118
- other costs	29,238	-	29,238	7,984
Lettings	4,600	-	4,600	49
Support costs	13,099	937	14,036	13,307
	<u>115,012</u>	<u>937</u>	<u>115,949</u>	<u>62,458</u>

Chipping Norton Theatre Limited (The)

**Notes to the Financial Statements (continued)
for the year ended 31st March 2022**

10. Expenditure on charitable activities

		Unrestricted £	Restricted £	2022 £	2021 £
Pantomime		167,935	-	167,935	19,576
Live programme		113,884	-	113,884	5,021
External and collaborative events		27,848	-	27,848	10,944
Productions and projects		31,926	-	31,926	2,295
Take Part	- staff	30,554	-	30,554	24,701
	- other	40,926	-	40,926	19,405
Cinema		34,993	-	34,993	5,973
Box office	- staff	59,700	-	59,700	45,521
	- other	34,795	-	34,795	11,351
Support costs		419,172	29,985	449,157	425,846
		<u>961,733</u>	<u>29,985</u>	<u>991,718</u>	<u>570,633</u>

11. Staff costs

The average number of persons employed by the company during the year was as follows:

	2022	2021
Production	3	3
Administration and management	31	25
	<u>34</u>	<u>28</u>

The aggregate payroll costs were as follows:

	2022 £	2021 £
Wages and salaries	363,811	359,911
Social security	21,368	18,589
Employers Pension	6,570	5,743
	<u>391,749</u>	<u>378,500</u>

No member of staff received total employee benefits of more than £60,000 during the current or previous financial year.

No remuneration was paid, nor any expenses reimbursed, to any Trustee during the current or previous financial year.

The charity's senior management team represent their key management personnel. Total remuneration for the year was £102,513 (2021: £104,869).

Chipping Norton Theatre Limited (The)

Notes to the Financial Statements (continued)
for the year ended 31st March 2022

12. Support costs

	Costs of raising voluntary income £	Costs of activities for raising funds £	Charitable activities £	Total 2022 £	Total 2021 £
Advertising	269	807	25,811	26,887	6,437
Audit	45	135	4,320	4,500	4,500
Bank charges	4	13	418	435	237
Depreciation	30	90	2,880	3,000	3,000
Irrecoverable VAT	354	1,062	33,984	35,400	18,822
Legal and professional	190	569	18,212	18,971	16,540
Other staff costs	34	102	3,268	3,404	1,178
Premises costs	1,215	3,646	116,662	121,523	141,226
Printing, postage and stationery	268	803	25,708	26,779	10,548
Subscriptions and licenses	36	107	3,427	3,570	3,608
Travel and entertaining	8	23	723	754	128
Wages and salaries	2,226	6,679	213,744	222,649	237,363
	4,679	14,036	449,157	467,872	443,587

Fund allocation

Unrestricted	4,647	13,937	445,981	464,565	384,286
Restricted	312	937	29,985	31,234	59,301
	4,959	14,874	475,966	495,799	443,587

Chipping Norton Theatre Limited (The)

Notes to the Financial Statements (continued)
for the year ended 31st March 2022

13. Tangible fixed assets

	Freehold Land and Buildings £	Theatre Equipment £	Total £
Cost:			
At 1st April 2021	880,000	294,897	1,174,897
At 31st March 2022	880,000	294,897	1,174,897
Depreciation:			
At 1st April 2021	-	287,408	287,408
Charge for the year	-	3,000	3,000
At 31st March 2022	-	290,408	290,408
Net book value:			
At 31st March 2022	880,000	4,489	884,489
At 31st March 2021	880,000	7,489	887,489

14. Stocks

	2022 £	2021 £
Goods for resale	4,989	2,614

15. Debtors and prepayments

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	45,228	9,408
Prepayments and accrued income	40,627	77,665
Theatre tax relief recoverable	76,100	52,585
VAT Debtor	-	5,818
	161,955	145,476

16. Creditors

	2022 £	2021 £
Amounts falling due within one year:		
Trade creditors	37,044	22,255
Accruals and deferred income	92,610	176,814
VAT creditor	5,705	-
Other creditors	66,310	62,834
	201,669	261,903

Chipping Norton Theatre Limited (The)

Notes to the Financial Statements (continued)
for the year ended 31st March 2022

17. Reserves

2022	Balance at 1st April 2021 £	Income £	Expenditure £	Balance at 31st March 2022 £
Unrestricted	199,972	1,110,349	(1,128,116)	182,205
<i>Restricted</i>				
Audio Description	500	-	-	500
Foundation Stones	900	-	-	900
Improving Access	500	-	-	500
Property Fund	880,000	-	-	880,000
Stage Floor	500	-	(500)	-
Theatre's Trust	1,424	-	(1,424)	-
Wet Room	1,000	14,401	-	15,401
Access	5,000	-	(5,000)	-
Yarrow	26,000	-	(24,310)	1,690
Total Restricted	915,824	14,401	(31,234)	898,991
	1,115,796	826,233	(1,159,350)	1,081,196

2021	Balance at 1st April 2020 £	Income £	Expenditure £	Balance at 31st March 2021 £
Unrestricted	65,707	746,233	(611,968)	199,972
<i>Restricted</i>				
Property Fund	880,000	-	-	880,000
Yarrow	-	50,000	(24,000)	26,000
Wet Room	1,000	-	-	1,000
Foundation Stones	900	-	-	900
Air Handling	11,725	-	(11,725)	-
Improving Access	500	-	-	500
Stage Floor	500	-	-	500
Audio Description	500	-	-	500
Access	-	20,000	(15,000)	5,000
Theatre's Trust	-	5,000	(3,576)	1,424
Building refurbishments	-	5,000	(5,000)	-
Total Restricted	895,125	80,000	(59,301)	915,824
	960,832	826,233	(671,269)	1,115,796

The Oxfordshire Theatre Company fund represents the value of assets transferred from OTC to The Theatre under an Agreement in which Oxfordshire Theatre Company Limited donated all its assets to the charity. Its use is restricted to the delivery of a live touring theatre programme to rural venues in Oxfordshire and throughout the country. The remaining balance is expected to be used in the next financial period.

The Property fund represents the net book value of the theatre building.

During the current and previous financial years, a number of other restricted funds were received in respect of specific projects that have either been completed or will be completed in the year in which funds are received. These are clearly named above and include; Audio Description, Foundation Stones, Improving Access, Property Fund, Stage Floor, Theatre's Trust, Wet Room, Access. In addition, the Yarrow fund represents funds received towards repairs. All funds are expected to be fully expended in the next financial year.

Chipping Norton Theatre Limited (The)

**Notes to the Financial Statements (continued)
for the year ended 31st March 2022**

18. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
2022			
Tangible fixed assets	4,489	880,000	884,489
Current assets	379,385	18,991	398,376
Current liabilities	(201,669)	-	(201,669)
	<hr/>	<hr/>	<hr/>
Net assets at 31st March 2022	182,205	898,991	1,081,196
	<hr/>	<hr/>	<hr/>
	Unrestricted funds £	Restricted funds £	Total funds £
2021			
Tangible fixed assets	7,489	880,000	887,489
Current assets	454,386	35,824	490,210
Current liabilities	(261,903)	-	(261,903)
	<hr/>	<hr/>	<hr/>
Net assets at 31st March 2021	334,237	915,824	1,115,796
	<hr/>	<hr/>	<hr/>

19. Related party transactions

There were no related party transactions during the year (2021: Nil).

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net movement in funds	(34,600)	154,964
Add back depreciation charge including loss on disposal	3,000	3,000
Deduct interest income shown in investing activities	(11)	(199)
Decrease / (increase) in stock	(2,375)	2,678
Decrease / (increase) in debtors	(16,479)	1,918
Decrease / (increase) in creditors	(60,234)	68,860
	<hr/>	<hr/>
Net cash used in operating activities	(110,699)	231,221
	<hr/>	<hr/>