

Registered number: 02016836
Charity number: 294399

THEATRE PECKHAM

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2021

Theatre Peckham
Annual Report and Accounts
For the year ended 31 March 2021

Company Information

Trustees	A Domingo – Chair appointed 2 November 21 A R Devenish S L I Manyonda E I McKay R J Preston A Garrido Serrato C J M Wilkinson D W R Richards – appointed 26 June 20 N Brown – appointed 27 July 21
Company registered number	02016836
Charity registered number	294399
Registered office	Theatre Peckham 221 Havil Street London SE5 7SB
Company secretary	Ms A Hubbard – appointed 10 March 21
Chief executive officer	Ms S McLean
Auditors	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS
Bankers	Lloyds Bank plc 34 Moorgate London EC2R 6PL

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Trustees' Report

The Trustees of Theatre Peckham are delighted to present their annual report with the audited financial statements of the company for the year ended 31 March 2021. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as amended by Update Bulletin 1.

Objectives and Activities

The charity's principal object, as detailed in the Memorandum and Articles of Association, continues to be the advancement of education for the public benefit by the promotion of the arts, in particular but not exclusively the art of drama.

Through the power of theatre, we illuminate young voices, developing skills and opportunities to platform excellent creatives who are locally focused with a national and international vision. At our South London home, we commit to producing new writing and performance focusing on young talent, representative of London's community.

Our Vision and Mission

We are building a genuinely representative and inclusive society where everyone can participate in, lead, work in, and enjoy creativity and culture.

Theatre Peckham is a learning theatre that is built to champion artistic excellence and social change for young people and our hyper-local community. Alongside the performances on our stage, we provide a voice, a platform, and opportunities for young people from underrepresented backgrounds to realise their potential and thrive in professional environments, creative and otherwise. Founded over 30 years ago, we are ambitious, we are brave, and we inspire all those who come through our doors.

Our organisational values are reflected in everything we do. Theatre Peckham values:

- Representation
- Collaboration
- Innovation
- Ambition
- Relationships

New ideas, New stories and New partnerships are made in Theatre Peckham. By championing young, underrepresented voices, we are opening the gates for performers and technicians to enter the creative industries, forming lifelong relationships with participants, audiences, and partner organisations. In doing so, Theatre Peckham leads the change that is influencing our sector.

Covid 19

The financial year started in 1 April 2020; 14 days after the start of the first national lockdown and the closure of our building. We have survived a very difficult year; when many of our staff were on furlough; and income from our academy and theatre activities collapsed due to their forced closure. We have received fantastic support from many funders; but are particularly grateful for the ongoing support from the Arts Council, Southwark Council Culture Grant, CCLOR's and London Community Response. In the interim periods, when Covid 19 relented; we have managed to open the Theatre briefly; and the program, while curtailed, has been as dramatic and innovative as ever.

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Theatre Peckham Academy

Our principal activity is a core training programme. TP Academy, much curtailed in 2020/21 comprised of:

- 21 performing arts courses running weekly concurrent with school terms including acting, musical theatre, music production, technical theatre and a variety of dance classes.
- We delivered 648 participatory sessions as part of our academy programme.
- Members for September- March: 180.
- Freelance Artists engaged to deliver regular work: 29.
- Age range: 3- 25 years.
- Ethnicity: 61% identify as Black, Asian or ethnical diverse.

Theatre Peckham Performances

Every child had the opportunity for live performance on our stage, and in the local community, sharing and showcasing their talent to friends and family audiences. In 2020/21 we showcased this work online:

- Crongton Knight festival, April 2020.
- Getting Active Summer Programme, July 2020, 12 performances.
- Final Drafts, July 2020, 3 performances.
- Lines and Lyrics, July 2020, 3 performances.
- Scratch That, December 2020, 2 performances.

We also curated the Young Gifted and Black Festival in October 2020 which comprised of 15 performances and events. Our Christmas Production of The Wonderful Storybook was performed to 500 school children over 10 performances.

Theatre Peckham Training

Training is offered to young adults, schools and college pupils who make use of our work experience scheme and University and drama schools have Theatre Peckham top on their list for placement opportunities in Technical Theatre, Producing, Stage Management, Facilitating and Administration.

Theatre Peckham Partnerships and Hires

We hosted a wide variety of hires for performance and production work which resonate with our target audience, listed below.

Ballet Soul	Duo Arts	Play on Shakespeare
British Theatre Academy	English Touring Opera	Poetic Unity
Brixton House	Gerrard Martin Dance	Progress Wrestling
Byron Gold	Hay Events	Southwark Council
Casey Elisha	James Cousins Company	Tazaziva Dance
CTC Dance Company	Jokers Pack	Traditional Taekwondo Association
DK Fashola	Playback Drama	

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2020 -21 key statistics:

- We sent 412 activity packs and made over 350 phone calls to families
- We supported 43 volunteers, hosted 13 work placements, engaged over 109 freelance artists and hosted 3 artists in residence.
- We worked with 7-local Secondary, Primary, Nursery and Pupil Referral Unit Schools.
- 29 in person performances of 11 productions and 2 Festival's.
- We created 2 in-house productions for public and school audiences.

Our plans for the future fall into three categories:

- Supporting the growth of a more representative sector, providing opportunities for people from the widest backgrounds to get into theatre and the creative sector.
- Championing a festival approach to programming, attracting the widest range of audiences and participants through our broad offer.
- Ensuring a bright future, re-opening safely and prioritising our ongoing financial viability.

Financial review

Despite the challenges and constraints of the Covid 19 pandemic, resulting in much lower revenues from Academy fees, box office tickets and hires, Theatre Peckham ends the year in a stronger financial position than it was at the commencement of the year. Theatre Peckham's cash has increased from just about £92,000 at the end of March 2020 to a much more robust figure of over £260,000 at the end of March 2021.

The reasons for this are many and various but chief among them is the significant and ongoing support from our chief funders; a disciplined and prudent cost-control policy; and central Government's furlough programme which contributed over £60,000 to our staff costs. We also took out a Bounce Back loan of £50,000, repayable over five years, to buttress our liquidity against shocks. We are grateful to all our funders and are particularly thankful to our CEO and Finance team for ensuring our continued strength into the new financial year.

At the end of 2020/21 there was total reserves of £431,123 (2020 £267,932). This was made up of £115,973 (2020 £48,783) restricted reserves and £315,150 (2020 £219,149) unrestricted reserves.

Principal funding sources

We would like to thank all the generous donations and grants from all our supporters. A detailed list of all grants and our grant giving bodies is given in Note 2 to the accounts on page 16.

Reserves policy

The Trustees shall:

- Build up reserves until they represent an amount equal to an average 3 month's running costs based on the prior year's financial statements.
- Reserves may only be held in cash or near cash equivalents with recognised and regulated UK institutions with a credit rating of A or greater.
- While the Trustees and members of the Board seek to maximise returns on investments held as reserves, this should not result in most of the reserves becoming illiquid and in accessible in the event of an emergency, therefore at least 51% of the reserves should be instant access and the rest subject to notice not exceeding 3 months.
- Reserves may only be utilised when the finance committee recommends to the Board that such use is appropriate, and the Board agrees by majority vote off a quorate Board meeting.

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- Reserves may only fall below the level specified when the Finance Committee recommends to the Board that such use is appropriate, and the Board agrees by majority vote off a quorate Board meeting.

The Board are happy to report that reserves have been greatly strengthened in 2020/21 and have met the policy target. The future outlook is uncertain but, with prudent management, the Board is confident that we can preserve and maintain this sound financial underpinning.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Structure, governance and management

Constitution

The charity is registered as a charitable company limited by guarantee. The Charities registered office is 221 Havil Street, London, SE5 7SB.

The charity is constituted under a Memorandum of Association dated 2 May 1986 and is a registered charity number 294399 in England and Wales.

Method of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The trustees who served during the year, were;

J A Reeves – resigned 27 July 2021

A R Devenish

M E Hamilton – resigned 27 July 2021

S L I Manyonda

E I McKay

R J Preston

A Garrido Serrato

C J M Wilkinson

A Li – appointed 26 June 2020 and resigned 2 November 2021

D W R Richards – appointed 26 June 2020

The trustees who joined after 31 March 2021 were;

A Domingo – Chair appointed 2 November 2021

S E C Whitney Low – resigned 2 November 2021

N Brown – appointed 27 July 2021

Policies adopted for the induction and training of Trustees

In March 2021, the Board met for an online Away Day. Charlotte Jones from ITC attended to facilitate a discussion around the principles of good Governance: Strategy, Scrutiny, Stretch, Support and Stewardship. The CEO introduced the trustees to the Arts Council England's Four Investment Principles: Ambition & Quality; Dynamism; Environmental Responsibility; and Inclusivity & Relevance. In 2020 Theatre Peckham developed the Five Pillars: Anti-racism programme as a response to the Black Lives Matter movement and the death of George Floyd. Trustees attended a half day training session.

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Organisational structure and decision making

The Board of Trustees meet every three months, or more frequently if required, to consider reports from the Senior Management Team, monitor financial progress, agree budgets, and consider issues of strategic importance. The Trustees delegate the day-to-day management of the charity to the now singular role of Executive and Artistic Director, Suzann McLean.

The Board currently has three sub-committees: Programming, Finance and Nominations. The committees have terms of reference, meet as needed and report proceedings to the full Board.

Risk management

The Trustees and members of the management committee review the major risks which the charity faces on a regular basis.

They are committed to continuing to increase reserves, combined with an annual review of the controls over key financial systems, to provide sufficient resources in the light of adverse conditions.

The Trustees and members of the management committee have also examined other operational and business risks faced by the Charity and confirm that they have established systems to mitigate the significant risks.

Plans for future periods

Future developments

Our plans for the future fall into three categories

- Supporting the growth of a more representative sector, providing opportunities for people from the widest backgrounds to get into theatre and the creative sector.
- Championing a festival approach to programming, attracting the widest range of audiences and participants through our broad offer.
- Ensuring a bright future, re-opening safely and prioritising our ongoing financial viability.

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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Trustees' Report

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Signed on behalf of the board of Trustees on 21 December 2021.

Dr A Domingo, Chair
Trustee

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Independent Auditors' Report to the members of Theatre Peckham

Opinion

We have audited the financial statements of Theatre Peckham (the 'Charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet and the related 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 Charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity 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 Charity'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 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.

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' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

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Independent Auditors' Report to the members of Theatre Peckham

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on pages 9-10, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer software and support sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection and FCA regulation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Audit response to risks identified

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation and;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kate Taylor FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wreford LLP, Statutory Auditor
Wellesley House
Duke of Wellington Avenue
Royal Arsenal
London SE18 6SS

Dated: 22 December 2021

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Statement of Financial Activities
(Incorporating Income and Expenditure account)

		Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
	Note				
Income from:					
Grants and donations	2	401,346	230,492	631,838	362,107
Charitable activities	3	82,621	-	82,621	211,975
Other trading activities	3	1,535	-	1,535	30,744
Other income		14,575	-	14,575	20,642
Total Income		<u>500,077</u>	<u>230,492</u>	<u>730,569</u>	<u>625,468</u>
Expenditure on:					
Charitable activities	4,5	431,252	136,126	567,378	704,015
Total Expenditure	6	<u>431,252</u>	<u>136,126</u>	<u>567,378</u>	<u>704,015</u>
Transfer between funds	13	(27,176)	27,176	-	-
Net Movement of Funds		<u>96,001</u>	<u>67,190</u>	<u>163,191</u>	<u>(78,547)</u>
Reconciliation of funds					
Funds at 1 April 2020		<u>219,149</u>	<u>48,783</u>	<u>267,932</u>	<u>346,479</u>
Funds at 31 March 2021		<u>315,150</u>	<u>115,973</u>	<u>431,123</u>	<u>267,932</u>

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

The notes on pages 13 to 24 form part of these financial statements.

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Balance Sheet

	Note	2021 £	2020 £
FIXED ASSETS			
Intangible assets	9	9,379	9,978
Tangible assets	10	<u>230,084</u>	<u>232,545</u>
		239,463	242,523
CURRENT ASSETS			
Debtors	11	53,517	42,902
Cash at bank and in hand		<u>263,435</u>	<u>92,260</u>
		316,952	135,162
CREDITORS: amounts falling due within one year	12	<u>(82,792)</u>	<u>(109,753)</u>
NET CURRENT ASSETS		<u>234,160</u>	<u>25,409</u>
CREDITORS: amounts falling due after more than one year	12	<u>(42,500)</u>	<u>-</u>
NET ASSETS		<u>431,123</u>	<u>267,932</u>
CHARITY FUNDS			
Restricted funds	14	115,973	48,783
Unrestricted funds	14	<u>315,150</u>	<u>219,149</u>
TOTAL FUNDS		<u>431,123</u>	<u>267,932</u>

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102).

The financial statements on pages 13 to 24 were approved by the Trustees on 21 December 2021 and signed on their behalf by

Dr A Domingo, Chair
Company Number: 02016836 (England & Wales)

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Statement of Cash flows

	Notes	2021 Funds £	2020 Funds £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	25	<u>206,970</u>	<u>(33,148)</u>
Cash flows from investing activities:			
Purchase of property plant and equipment		<u>(35,788)</u>	<u>(7,319)</u>
Net cash provided by (used in) investing activities		<u>(35,788)</u>	<u>(7,319)</u>
Change in cash and cash equivalents in the reporting period		171,182	(40,467)
Cash and cash equivalents at the beginning of the reporting period	26	<u>92,253</u>	<u>132,720</u>
Cash and cash equivalents at the end of the reporting period	26	<u><u>263,435</u></u>	<u><u>92,253</u></u>

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Notes to the financial statements

1 Accounting Policies

1.1 Basis of preparation of financial statements

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 (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Theatre Peckham meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The charity is a company limited by guarantee incorporated in England and Wales under registered number 02016836. The members of the company are the Trustees named on the company information page. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office is 221, Havil Street, London, SE5 7SB

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.4 Expenditure

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 of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each

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activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of Irrecoverable VAT.

Redundancy payments are recognised in the period in which an agreement is reached.

1.5 Intangible fixed assets and amortisation

Intangible assets costing £200 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for Impairment.

Website development	- 6% reducing balance
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1.6 Tangible fixed assets and depreciation

All assets costing more than £200 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment, depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- over the term of the lease
Motor vehicles	- 25% reducing balance basis
Theatre fixtures and fittings	- 10-15% reducing balance basis
Theatre equipment	- 25% reducing balance basis
Computer equipment	- 33% straight line basis
Portable sound equipment	- 50% straight line basis
Leasehold improvements	- 15% reducing balance basis

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1.7 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.

1.8 Debtors

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

1.9 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.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 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.

1.12 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees In furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

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2 Income from donations and legacies

Grants and Donations	Restricted 2021 £	Unrestricted 2021 £	Total 2021 £	Total 2020 £
Donations				
Donations	-	15,127	15,127	9,394
	-	15,127	15,127	9,394
Grants				
Arts Council - Core	-	145,554	145,554	142,924
National Lottery	-	10,000	10,000	-
Jack Petchey Foundation	3,500	5,000	8,500	1,500
Arts Council England Catalyst	-	-	-	44,312
L.B. Southwark	-	31,500	31,500	31,500
L.B. Southwark Projects	-	-	-	4,500
L.B. Southwark Projects - Positive Futures	-	-	-	11,044
Arts Council England Area Managed Funds	-	-	-	20,000
Wakefield Trust	-	-	-	5,000
Newcomen Collet Foundation	-	-	-	1,000
Charter House - In So Unity Trust	-	-	-	5,000
Arm Bras Gaunt Armourerbrasier	-	3,000	3,000	3,000
Greater London Authority - Young Londoners Fund	47,867	-	47,867	23,933
The London Community Foundation	-	-	-	11,000
Sir John Cass Foundation	10,000	-	10,000	10,000
Arts Council Programme Development	-	-	-	7,000
Garfield Weston	-	25,000	25,000	25,000
The Worshipful Company of Basket Makers	-	-	-	1,000
The Innholders Charitable Foundation	-	-	-	3,000
Lucille Graham Trust	-	-	-	2,000
Arts Council England - Covid Recovery Fund	150,000	-	150,000	-
Church Urban Fund	6,162	-	6,162	-
Noel Coward Foundation	4,175	-	4,175	-
London Borough of Southwark - Covid Response	-	15,000	15,000	-
London Borough of Southwark - Community projects	1,250	-	1,250	-
CCLORS	-	50,000	50,000	-
London Community Response	-	50,000	50,000	-
London Youth Correction	-	1,000	1,000	-
London Sports and Satellite Club	1,538	-	1,538	-
Arts Council - ACE Awards	1,000	-	1,000	-
Theatres Trust	5,000	-	5,000	-
Job Retention Scheme Grant	-	50,165	50,165	-
	230,492	386,219	616,711	352,713
	230,492	401,346	631,838	362,107

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3 Income from charitable and trading activities

	Unrestricted 2021 £	Total 2021 £	Total 2020 £
Charitable activities			
In house production ticket sales	3,960	3,960	36,278
Box office splits	-	-	10,672
Other activities	2,000	2,000	1,377
Other event fees	981	981	3,105
External workshop fees	11,131	11,131	4,358
Workshop fees and membership fees	17,468	17,468	72,235
Holiday courses and master classes	685	685	6,077
Room and equip hire	47,597	47,597	77,873
Services	(1,200)	(1,200)	-
	82,621	82,621	211,975
Trading activities			
Café, bar and tuck takings	870	870	28,833
Dancewear	665	665	1,765
Merchandise and publications	-	-	146
	1,535	1,535	30,744

4 Direct costs

	Activities and productions £	Total 2021 £	Total 2020 £
Workshop publicity	4,586	4,586	1,814
Marketing	5,743	5,743	15,732
Productions	54,927	54,927	74,715
Dancewear	88	88	4,000
Tuckshop and bar purchases	571	571	17,940
Examination fees	-	-	-
Hire costs	15,185	15,185	6,875
Other theatre activities	15,640	15,640	8,684
Tutor fees	73,632	73,632	59,474
Holiday courses and master classes	408	408	8,823
Consultants	6,772	6,772	25,682
Staff expenses	1,448	1,448	213
Staff training	934	934	2,302
Wages and salaries	208,618	208,618	294,919
National insurance	13,066	13,066	21,598
Pension cost	2,957	2,957	5,669
	404,576	404,576	548,440

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5 Governance costs

	Unrestricted Funds 2021 £	Restricted Fund 2021 £	Total 2021 £	Total 2020 £
Rent	-	-	-	-
Rates	1,239	-	1,239	1,572
Light and heat	16,256	-	16,256	15,387
Repairs and renewals	28,387	10,869	39,257	16,635
Covid compliance expenses	7,950	234	8,184	-
Cleaning	-	-	-	456
Transport and vehicle expenses	60	-	60	-
Computer costs	2,234	1,950	4,184	3,495
Insurance	3,704	-	3,704	3,292
Hygiene services	19,478	600	20,078	27,279
Printing, postage and stationery	8,257	467	8,723	7,500
Subscriptions	1,943	-	1,943	2,484
Telephone	2,515	-	2,515	3,791
Catering and hospitality	97	-	97	817
General expenses	340	-	340	578
Bank charges	1,317	-	1,317	3,634
Equipment	-	-	-	394
Recruitment	-	-	-	-
Service charge	5,747	-	5,747	6,333
Loss on disposal of intangible fixed assets	-	-	-	8,846
Professional fees	3,839	-	3,839	3,755
Audit fees	3,924	-	3,924	3,770
Depreciation of tangible fixed assets	38,255	-	38,255	44,920
Amortisation of intangible fixed assets	599	-	599	637
Provision for doubtful debts	2,541	-	2,541	-
	<u>148,682</u>	<u>14,119</u>	<u>162,802</u>	<u>155,575</u>

6 Analysis of expenditure by type

	Staff Costs 2021 £	Depreciation and Amortisation 2021 £	Other Costs 2021 £	Total 2021 £	Total 2020 £
Charitable activities	227,024	-	177,553	404,576	548,440
Expenditure on governance	-	38,853	123,948	162,802	155,575
	<u>227,024</u>	<u>38,853</u>	<u>301,501</u>	<u>567,378</u>	<u>704,015</u>

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7 Net outgoing resources

This is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	38,254	44,920
Amortisation of intangible assets	599	637

8 Staff costs

Staff costs

Staff costs for the year were as follows:

	2021	2020
	£	£
Wages and salaries	205,477	279,432
Redundancy payments	3,141	15,488
Social security costs	13,066	21,598
Other pension costs	2,957	5,669
	<u>224,641</u>	<u>322,186</u>

The average number of employees during the year, calculated on the basis of full time staff, was as follows:

	2021	2020
Direct charitable work	12	16

No employee was paid a salary greater than £60,000.

9 Intangible fixed assets

	Website Development £
Cost	
At 1 April 2020	11,912
Additions	-
Disposals	-
At 31 March 2021	<u>11,912</u>
Amortisation	
At 1 April 2020	1,934
Charge for the year	599
Eliminated on disposal	-
At 31 March 2021	<u>2,533</u>
Carrying amount	
At 31 March 2021	<u>9,379</u>
At 31 March 2020	<u>9,978</u>

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10 Tangible fixed assets

	Theatre Fixtures and Fittings £	Theatre and Sound Equipment £	Computer Equipment £	Leasehold Improvements £	Total £
Cost					
At 1 April 2020	386,913	16,669	17,989	-	421,571
Additions	8,580	1,290	6,187	19,730	35,787
Disposals	-	-	-	-	-
At 31 March 2021	<u>395,493</u>	<u>17,959</u>	<u>24,176</u>	<u>19,730</u>	<u>457,358</u>
Deprecation					
At 1 April 2020	158,933	13,408	16,679	-	189,020
Charge for the year	34,567	1,030	1,642	1,015	38,254
Eliminated on disposal	-	-	-	-	-
At 31 March 2021	<u>193,500</u>	<u>14,438</u>	<u>18,321</u>	<u>1,015</u>	<u>227,274</u>
Carrying amount					
At 31 March 2021	<u>201,993</u>	<u>3,521</u>	<u>5,855</u>	<u>18,715</u>	<u>230,084</u>
At 31 March 2020	<u>227,980</u>	<u>3,261</u>	<u>1,310</u>	<u>-</u>	<u>232,551</u>

11 Debtors

	2021	2020
	£	£
Trade debtors	10,759	21,915
Prepayments and accrued Income	<u>42,758</u>	<u>20,987</u>
	<u>53,517</u>	<u>42,902</u>

12 Creditors

	2021	2020
	£	£
Trade creditors	20,122	9,528
Accruals and deferred income	24,131	17,728
Grant in advance	25,000	76,500
Taxation and social security, pension	6,039	5,997
Bounce back loan	<u>7,500</u>	<u>-</u>
	<u>82,792</u>	<u>109,753</u>

Creditors due after more than one year

	2021	2020
	£	£
Bounce back loan	<u>42,500</u>	<u>-</u>

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13 Statement of funds

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Restricted funds					
Jack Petchey Foundation	278	3,500	(2,185)	-	1,593
Wakefield Trust	5,000	-	(3,814)	-	1,186
Charter House - In So Unity Trust	5,000	-	-	(4,765)	235
National Lottery Fund - Awards for all	5,591	-	(5,591)	-	-
Arts Council England - ACE Awards	-	1,000	-	-	1,000
L.B. Southwark Projects - Positive Futures	91	-	-	-	91
L.B. Southwark Projects	-	1,250	-	-	1,250
Sir John Cass Foundation	9,300	10,000	(1,050)	-	18,250
Church Urban Fund - Windrush Dream	-	6,162	(5,911)	-	251
Arts Council England - Covid Recovery Fund	-	150,000	(73,542)	(18,608)	57,850
Noel Coward Foundation	-	4,175	(350)	-	3,825
Greater London Authority - Young Londoners Fund	23,481	47,867	(40,907)	-	30,441
London Sports and Satellite Club	-	1,538	(1,560)	22	-
Theatres Trust	-	5,000	(1,175)	(3,825)	-
Bernard Sunley	42	-	(42)	-	-
	48,783	230,492	(136,126)	(27,176)	115,973
Designated funds					
Zaiger Trust	-	6,000	(6,000)	-	-
Unrestricted funds					
General funds	219,149	500,077	(431,252)	27,176	315,150
	267,932	730,569	(567,378)	-	431,123

14 Analysis of net assets between funds

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Intangible fixed assets	9,379	-	9,379
Tangible fixed assets	230,084	-	230,084
Current assets	200,980	115,972	316,952
Creditors due within one year	(82,792)	-	(82,792)
Creditors due after more than one year	(42,500)	-	(42,500)
	315,151	115,972	431,123

15 Trustees expenses

No remuneration or benefits in kind was paid to any trustee in the year. No direct reimbursements for expenses to trustees were made during the financial year.

16 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

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17 Pension commitments

The following payments were made to the company pension schemes in the year:

	2021	2020
	£	£
Defined Contribution Scheme	2,957	5,668

No payments were outstanding at the year end.

18 Restricted funds

Greater London Authority, Young Londoners Fund – A 3 year funding agreement to support young people at risk of going into crime. Also to support positive futures and positive transition programmes.

Arts Council Covid Recovery Fund – Covid Recovery Fund - Grant to support a scaled back re-opening of Theatre Peckham from September 2020 to provide essential support for a community hard hit by Covid-19.

Sir John Cass Foundation – Theatre Peckham's innovative two-year Further and Higher Education Pathways Programme aimed at young people aged 16-25.

19 Fund transfers

The following fund transfer have been made during the year:

- From the Charter House In So Unity Trust fund to unrestricted funds for £4,765. This is a transfer of income grant income given to subsidise children's placements in academy classes and workshops. Grant was given to allow children to attend these events free of charge or at a reduced rate. Children are also allowed free access to productions where tickets remain unsold.
- From Arts Council Covid Recovery Fund to unrestricted funds for £18,608. This transfer has been made due to the funds being used to purchase fixed assets. The items purchased are for general use and not a restricted purpose. Depreciation charged on these items will be included within general funds.
- From unrestricted funds to the London Sports and Satellite Club fund for £22. This transfer has been made to supplement a small deficit on the restricted fund.
- From the Theatres Trust fund to unrestricted funds for £3,825. This transfer has been made due to the funds being used to purchase fixed assets. The items purchased are for general use and not a restricted purpose. Depreciation charged on these items will be included within general funds.

20 Related party transactions

No transactions occurred with known related parties during the financial year. There were no outstanding balances with any known related parties at the year end.

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21 Limited liability

The Trustees of the company guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

22 Other professional services provided by the auditors

In common with many other entities of the charity size and nature, they use their auditors to assist with the preparation of the financial statements.

23 Operating lease commitments

At 31 March 2021 the company was committed to making the following payments under non-cancellable operating leases:

	2021	2020
	£	£
Payments due	13,985	13,980

24 Deferred income

Income of £36,330 (2020: £86,628) has been deferred either to match the period of terms on the grant documentation or the terms of the invoices. for the following:

Arts Council England	-	£25,000
Venue hire and other income	-	£11,330

Income of £58,149 was released in the current period.

25 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021	2020
	£	£
Net income/(expenditure) for the reporting period	163,191	(78,547)
Adjustments for:		
Depreciation charges	38,853	45,557
Loss/(profit) on the sale of fixed assets	-	8,846
(Increase)/decrease in debtors	(10,613)	(23,857)
Increase/(decrease) in creditors	15,539	14,853
Net cash provided by (used in) operating activities	<u>206,970</u>	<u>(33,148)</u>

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26 Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand	263,435	92,260
Total cash and cash equivalents	<u>263,435</u>	<u>92,260</u>