

THE DUKE'S PLAYHOUSE LIMITED

England & Wales · Charity number 501935

Details

Other names	THE DUKES
Status	Registered
Legal form	Charitable company
Company number	01077517
Registered	1973-04-04
Register	View on the Charity Commission register

Contact

Address	The Dukes Moor Lane Lancaster LA1 1QE
Phone	01524 598500
Email	ask@dukeslancaster.org
Website	www.dukeslancaster.org

Activities

Objects: TO PROMOTE AND ADVANCE ARTISTIC AND AESTHETIC EDUCATION AND THE PUBLIC APPRECIATION OF THE ARTS OF DRAMA, LITERATURE, POETRY, OPERA, MIME, MUSIC AND BALLET WHETHER PRESENTED BY LIVING PERSONS ON THE STAGE OR BY FILMS, BROADCAST, TELEVISION OR OTHER FORMS OF MECHANICAL REPRODUCTION (FOR FURTHER DETAILS SEE CLAUSE 3 OF THE MEMORANDUM OF ASSOCIATION)

Activities: Lancashire's only producing theatre and independent cinema has a diverse programme of performances and world cinema screenings including one of the biggest annual walkabout theatre events in the world and work by and for young people showcased in its own dedicated space, supported by an extensive creative learning programme.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** LANCASTER AND DISTRICT
- Lancashire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,713,240	£1,884,601	£430,088	30
2024-03-31	£1,785,859	£1,833,491	£601,449	32
2023-03-31	£1,676,807	£1,661,859	£649,081	33
2022-03-31	£1,471,052	£1,365,135	£634,133	33
2021-03-31	£1,036,257	£823,888	£528,216	28

Trustees

Name	Role	Appointed
William Patrick Bancroft	Chair	2025-12-18
ANNA SANDRA THORNBERRY		2023-09-19
Coralie Rogers		2025-04-23
Georgia Murphy		2022-11-21
Laura Anne Rodwell		2025-04-23
Michelle Collins		2022-11-21
Professor Dale Townshend		2025-04-23
Stephanie Claire Weber		2026-03-24
Zoe Karen Hammond		2026-03-24

THE DUKE'S PLAYHOUSE LIMITED

England & Wales - Charity number 501935

Accounts



Audit Plan

The Dukes Playhouse

Year ended 31 March 2025





Strictly Private & Confidential

The Board of Trustees
Dukes Play House Limited (The)
Moor Lane
Lancaster
Lancashire
LA1 1QE

Our ref: SC/LAN/6D0036
25 July 2025

Dear Sirs

The Dukes Playhouse Limited
Audit plan for the year ended 31 March 2025

We are writing to confirm the audit arrangements in respect of The Dukes Playhouse ('the Company') for the year ended 31 March 2025.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK) (ISAs UK)), which is directed towards forming and expressing an opinion on the financial statements. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities, including those in respect of the preparation of financial statements.

There is more detail in respect of the responsibilities of the auditor and those charged with governance within our engagement letter. Our standard terms and conditions can be found at <https://www.azets.co.uk/terms-of-business>.

This audit plan highlights the key elements of our proposed audit strategy for the benefit of those charged with governance, as required by ISA (UK) 260 'Communication with those charged with governance'. On completion of our audit work, an audit findings report will be issued prior to the approval of the financial statements and will detail our significant findings and other matters arising from the audit.

If, during the course of the audit, we identify any significant adverse or unexpected findings that we conclude should be communicated, we will do so on a timely basis, either informally or in writing.

Yours faithfully

A handwritten signature in black ink that reads 'Susanna Cassey'.

Susanna Cassey
Senior Statutory Auditor
Azets Audit Services

We are an accounting, tax, audit, advisory and business services group that delivers a personal experience both digitally and at your door.

Accounting | Tax | Audit | Advisory | Technology

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VAT Registration No. 219 0608 22. Registered office: 2nd Floor, Regis House, 45 King William St, London EC4R 9AN. Registered to carry on audit work in the UK under Firm Number C004632199 and regulated for a range of investment business activities by the Institute of Chartered Accountants in England & Wales. The term 'Board Director' is used to refer to a statutory director and principal of the company as registered at Companies House. Any other designations that include the term 'Partner' or 'Director' are not registered statutory directors or principals of the registered company.





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1. Audit scope and general approach

Audit Scope

This section of our letter sets out the scope and nature of our audit and should be considered in conjunction with our letter of engagement dated 21 July 2025.

General approach

Our objective when performing an audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement and to issue an auditor's report that includes our auditor's opinion.

As part of our general approach, we will:

- perform risk assessment procedures including updating our understanding of the entity and its environment, the financial reporting framework and system of internal control;
- review the design and implementation of key internal controls;
- identify and assess the risks of material misstatement, whether due to fraud or error, at the financial statement level and the assertion level for classes of transaction, account balances or disclosures;
- design and perform audit procedures responsive to those risks, to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion; and
- exercise professional judgment and maintain professional scepticism throughout the audit recognising that circumstances may exist that cause the financial statements to be materially misstated.

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. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. We include an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud and respective responsibilities for prevention and detection of fraud.

Materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements. In general, misstatements, including omissions, are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.



Judgments about materiality are made in the light of surrounding circumstances and are affected by our perception of the financial information needs of users of the financial statements, and by the size or nature of a misstatement, or a combination of both.

Any identified errors greater than £1,700 will be recorded and discussed with you and, if not adjusted, confirmed as immaterial as part of your letter of representation to us.

The basis for our assessment of materiality for the year is set out in an appendix to this letter.

Accounting systems and internal controls

The purpose of an audit is to express an opinion on the financial statements. As part of our work, we consider certain internal controls relevant to the preparation of the financial statements such that we are able to design appropriate audit procedures. However, this work is not for the purpose of expressing an opinion on the effectiveness of internal controls.

We will report to you in writing, significant deficiencies in internal controls that we identify during the audit. These matters will be limited to those which we conclude are of sufficient importance to merit being reported to you. The scope of our work is not designed to be an extensive review of all internal controls.

Going concern

Under the going concern principle it is assumed that an entity will continue in operation and there is neither the intention nor the need to liquidate it or cease to operate.

Management responsibility

Management is required to make and document a rigorous assessment of whether the entity is a going concern when preparing the financial statements. The process should be proportionate in nature and depth depending upon the size and level of financial risk and the complexity of the entity and its operations. The review period should cover at least 12 months from the date of approval of the financial statements. Trustees are also required to make balanced, proportionate and clear disclosures about going concern within the financial statements where material uncertainties exist in order to give a true and fair view.

Auditor responsibility

Under ISA (UK) 570, we are required to consider the appropriateness of management's use of the going concern assumption in the preparation of the financial statements and consider whether there are material uncertainties about the entity's ability to continue as a going concern that need to be disclosed in the financial statements.

Further detail in respect of the responsibilities of the auditor and management can be found within our engagement letter.



Related party transactions

ISA 550 *Related Parties* requires that the audit process starts with the client providing a list of related parties to the auditor, including any companies under common control, shareholders and Trustees.

Previously you have informed us of the individuals and entities that you consider to be related parties. Please advise us of any changes for the period under audit.



2. Significant and other risks of material misstatement

Significant risks are risks that require special audit consideration and include identified risks of material misstatement that:

- our risk assessment procedures have identified as being close to the upper range of the spectrum of inherent risk due to their nature and a combination of the likelihood and potential magnitude of misstatement; or
- are required to be treated as significant risks due to requirements of ISAs (UK), for example in relation to management override of internal controls.

Significant risks at the financial statement level

The below table summarises significant risks of material misstatement identified at the financial statement level. These risks are considered to have a pervasive impact on the financial statements as a whole and potentially affect many assertions for classes of transaction, account balances and disclosures.

Identified risk of material misstatement	Audit approach
<p>Management override of controls Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk</p> <p>Risk of material misstatement: Very High</p>	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Review of accounting estimates, judgements and decisions made by management; • Testing of journal entries; • Review of any unusual significant transactions;
<p>Going concern Going concern (the risk that a material uncertainty related to going concern exists and that management's use of the going concern basis of preparation of the financial statements is inappropriate).</p> <p>Risk of material misstatement: High</p>	<p>The position of the charity at the year-end will be assessed along with post year end management information, so that we can obtain sufficient appropriate audit evidence that the company continues to operate as a going concern.</p>



Significant risks at the assertion level for classes of transaction, account balances and disclosures

The below table summarises significant risks of material misstatement assertion level for classes of transaction, account balances and disclosures.

Identified risk of material misstatement	Audit approach
<p>Fraud in income recognition Material misstatement due to fraudulent financial reporting relating to revenue recognition is a presumed risk in ISA 240 (The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements).</p> <p>Inherent risk of material misstatement:</p> <ul style="list-style-type: none"> • Revenue (Completeness): Very High 	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Review and testing of income recognition policies; • Detailed audit testing on cut-off around the year end. • Sales transaction testing on all material revenue stream.

If there are any other areas that you require us to perform additional procedures, then please let us know in a timely manner.



3. Audit team and timetable

Audit team

Our audit team will be as follows:

Role	Name	Email
Senior Statutory Auditor	Susanna Cassey	Susanna.Cassey@azets.co.uk
Senior Manager	Adam Hilton-Mason	Adam.Hilton-Mason@azets.co.uk
Assistant Manager	Charlie Maden	Charlie.Maden@azets.co.uk
Assistant	Dane Johnson	Dane.Johnson@azets.co.uk

Timetable

Please find below confirmation of our proposed timetable for the audit as previously discussed with you:

Event	Date
Audit planning meeting	2 May 2025
Audit planning	w/c 7 July 2025
Audit fieldwork	w/c 28 July 2025
Audit completion	w/c 25 August 2025
Audit partner review	w/c 1 September 2025
Sign off date	September 2025
Distribute documents for the Board Meeting	TBC
Statutory filing deadline	31 December 2025

The audit process is underpinned by effective project management to ensure that we co-ordinate and apply our resources efficiently to meet your deadlines. It is therefore essential that we work closely with your team to achieve this timetable.



4. Fees

Our audit fee proposal (excluding VAT and disbursements) is as follows:

	Proposed fee £
Company audit	9,250
Total	9,250

Our fee proposal is on the basis that:

- Supporting schedules and information are supplied by the agreed dates and in accordance with the audit deliverables outlined in our Collaborate tool;
- The financial statements will be prepared by us; and
- Your staff will be available to our team and will provide all reasonable assistance.

It is our policy to bill for overruns or scope extensions e.g., where we have incurred delays, deliverables have been late or of poor quality, where key personnel have not been available, or we have been asked to do extra work.

Our policy is to raise fees to account at appropriate stages of the audit such as on completion of the audit planning, completion of the interim visit, completion of the final audit work and after the financial statements have been signed.



5. Audit independence and objectivity

We confirm that we comply with the Financial Reporting Council's (FRC) Ethical Standard and are able to issue an objective opinion on the financial statements. We have considered our integrity, independence and objectivity in respect of audit services provided and we have identified potential threats for which we have applied appropriate safeguards as follows:

Non-audit services

We have detailed in the table below the non- audit services provided, the threats to our independence these present and the safeguards we have put in place to mitigate these threats:

Non-audit service	Fees 2025	Fees 2024	Type of threat	Safeguard
Preparation of statutory accounts	£1,250	£1,250	Self-interest	Accounts are prepared by a member of the audit team and reviewed by the manager and the RI. The accounts are prepared from the TB provided by client, with little to no judgement inputted by Azets. The Trustees will approve all adjustments and the final accounts.
Theatre tax relief	£1,600	£1,525	Self-review, self-interest.	Computations are prepared by member of tax department and reviewed by tax partner independent of audit team. Fees are agreed and billed separately.



6. Use of this letter

This planning letter has been prepared for the sole use of those charged with governance and, where applicable, the Charity's management, and should not be relied upon by third parties. No responsibility is assumed by Azets Audits Services to third parties.



7. Confirmation of arrangements

Please confirm in writing your agreement to these assignment terms by signing and returning a copy of this letter. If there are any elements of this audit plan to which you do not agree or would like to discuss, please let us know as soon as possible.

Yours faithfully

A handwritten signature in black ink that reads 'scassey'.

Susanna Cassey
Senior Statutory Auditor
Azets Audit Services Limited

I confirm the arrangements set out above:

DocuSigned by:
A handwritten signature in black ink that reads 'Chris Lawson'.
BFBEFEB1F0AB4E2...

Name: Chris Lawson

Position: Ceo

Date: 7/29/2025

For and on behalf of Dukes Play House Limited (The)

THE DUKE'S PLAYHOUSE LIMITED

England & Wales - Charity number 501935

Accounts

Charity registration number 501935

Company registration number 01077517 (England and Wales)

**DUKES PLAY HOUSE LIMITED (THE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

DUKES PLAY HOUSE LIMITED (THE)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	R Gauld T J Booker M J Collins G E Murphy W P Bancroft S Chadwick A E Cox S Thornberry
Secretary	C Lawson
Charity number	501935
Company number	01077517
Principal address	The Dukes Moor Lane Lancaster United Kingdom LA1 1QE
Registered office	The Dukes Moor Lane Lancaster United Kingdom LA1 1QE
Auditor	Azets Audit Services Fleet House New Road Lancaster United Kingdom LA1 1EZ
Bankers	NatWest Bank 68 Church Street Lancaster United Kingdom LA1 1LN
Solicitors	Holdens 2 Castle Hill Lancaster United Kingdom LA1 1YR

DUKES PLAY HOUSE LIMITED (THE)

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DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

REPORT TO THE COMMITTEE OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

The committee of management, who are directors of the company and trustees of the charity, present their annual report on the affairs of the charity, together with the financial statements and auditors' report for the year ended 31 March 2024. This report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies' exemption.

Structure, governance, and management

Dukes Play House Limited (The) (referred to either as "The Dukes Playhouse" or "The Dukes" throughout these financial statements) is a company limited by guarantee incorporated under the Companies Act under company no. 1077517 and is governed by the Memorandum and Articles of Association dated 19th October 1972 as amended dated 21 January 1999, 6 September 2005, 7th November 2017, 18th October 2018 and 21st November 2022.

The company is also a registered charity, charity no. 501935 and operates on a not-for-profit basis.

Its registered office is The Dukes Playhouse Ltd, Moor Lane, Lancaster, LA1 1QE. Its principal operating address is The Dukes, Moor Lane, Lancaster, LA1 1QE.

The company is governed by the Board of Trustees ("Board") as Directors of the company. Board members are appointed by the committee by simple majority. There are a maximum of 12 Trustees who may serve a maximum term of 4 years and then reappointment for 4 years. All are independently appointed members. Representatives of the major funders are invited to attend Board meetings.

The regular cycle of six formal meetings was maintained with an additional six subcommittee meetings to oversee Finance.

The Board is responsible for the overall policy and scrutiny of the financial performance of the organisation. The Board ensures the accountability to key funders and stakeholders and the appointment of the Director/CEO and pay and remuneration of the Director/CEO.

The day-to-day management of the company is delegated by the Board to the Director overseeing the senior management team of Head of Finance, Head of Marketing & Sales, Head of Creative Communities, Head of Film, Head of Technical & Production, Talent Development and Programme Manager and Head of Visitor Experience.

Objectives and activities

Review of the Year

The Dukes' Mission

To bring the best in live performance and cinema to the communities of Lancashire in our venue and other spaces. To create and actively support the opportunities for communities, individuals, and artists to develop their own creative work and its delivery.

The Dukes' Vision

The Dukes creates and presents a diverse collection of storytelling through a range of art forms that delivers excellence, inspiration, and challenge. The Dukes is a catalyst for communities, individuals, and artists to develop their own creativity and practice. The Dukes is a place of cultural leadership and imaginative conversation.

DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

Artistic and Audience Development

The Dukes continues to develop its artistic programme and grow audiences through our own programmes and partnership working.

Our key achievements over the last financial year include:

- Welcoming over 70k audiences to film or a live performance both at the Dukes and off-site events across Lancaster and Morecambe.
- Our performance programme saw a total of 1,213 events.
- Our Play in the Park show saw audiences totaling 9,888 with 40% being visitors from outside the district.
- Co-delivered Light Up Lancaster in partnership with Lancaster BID and Lancaster City Council which brought international artists to Lancaster.
- Continuing two new film festivals, Dark Dukes and Green Screen with audiences of over 5,500 enjoying films, workshops, talks and themed activities. We partnered with the BFI to offer film makers opportunities.
- Sunset Screenings returned to Williamson Park with total audiences exceeding 1,000.
- Launching our first Family Fest, with workshops and family screenings over two weeks.
- Our new cinema programmes including food and film, film quiz, film talks and continued to work with LA1 Shorts film festival.
- Blast Fest our new work festival supporting North West based artists was launched and commissioned 6 artists to create new work. Over 130 people attended a free sharing at the Dukes.
- Lancaster Playwriting Prize in partnership with Lancaster University had saw entries from 2 age categories under 18, two winners received prizes valued at £1500 and sharings of their work by professional actors.
- Partnering with our first Creative Collaborator company One Tenth Human as a part of an 18-month support programme.
- Supporting 30 artists locally with space for R&D and exhibitions space free of charge.
- This year saw our best attended Christmas Production – A Christmas Carol, with audiences totaling 13628 across 55 performances. It also saw the show well received by audiences and critics alike, with praise for innovative set design and excellent storytelling.

DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

The Dukes is an audience focused organisation, making the arts and creativity available and accessible to all members of our community, and developing a diverse and highly engaged audience base. We achieve this through long-term committed community engagement, and strategic marketing communications, and creating a range of access points for people to take a journey with us from participating in a session, through to attending a film or show, through to creating work. We are working to reach deeper into our communities and position the Dukes as a key cultural asset and talent hub for Lancaster/Morecambe.

In 23/24 we:

- Supported young people to explore creative careers in partnership with Lancaster University through our MAKE programme and Memorandum of Agreement – completing paid and volunteer internships, placements, and yearlong programme. Many have now gone on to secure full time roles in the creative sector, education, the third sector and business.
- Welcomed 64 schools to performances and cinema at the Dukes.
- Had 13,000 participations across 430 Creative Communities sessions including young carers, older people, schools, students and young people across Lancaster and Morecambe.
- Continued our successful partnership with Lancaster City Council and Arts Council England as core funders.
- Secured funding for 3 years for Prime Time, our working with older people.
- Delivered 40 weekly Young Company workshops for over 90 local young people (aged 8-21).
- Staged a Youth Theatre production of *The Dream Collector* involving around 50 young people (aged 8-18) performing to around 220 audience members – including an invited dress rehearsal for vulnerable communities including young carers, S.E.N pupils and older people with health issues.
- 64 schools attended our production of 'A Christmas Carol' this winter.

DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2024***

Financial review

Organisational Development

We experienced an important change in leadership during the year, with Karen O'Neill stepping down as Chief Executive/Director in November 2023, to take up the role of Executive Director at HOME in Manchester. Karen guided the organisation through a challenging period including the pandemic and we are grateful for her strong and dedicated leadership during this time. Karen was succeeded in January 2024 by Chris Lawson. Chris joined the organisation after leadership roles at the Almeida Theatre in London, Oldham Coliseum, and the Traverse Theatre in Edinburgh.

We also welcomed new trustees who brought a range of skills in education, local government, technology, theatre direction, research and public health. As ever, we are grateful to our retiring trustees who have contributed enormously to the organisation. This was also the first year of our streamlined governance, with the trustees also appointed as the members of the charity. Our thanks to the retired members who similarly gave their time and commitment to the Dukes.

The advent of the Eden Project in the coming years is an important moment to strengthen the city's attractiveness for visitors. In 2023/24, we began an ongoing process looking at options for renewing and modernising the Dukes buildings, which are currently leased from Lancaster City Council. We want to improve our customer experience, access for people with disabilities, reduce our environmental performance, and ensure a resilient and vibrant cultural centre for the future. We look forward to playing a meaningful role in the district's visitor and cultural offer as a vital attraction for local people as well as growing numbers of visitors to the district.

We enjoy a very positive relationship with our stakeholders, Lancaster University, Arts Council England, and Lancaster City Council. We value their support and particularly the ongoing financial backing the Council provides despite the constraints on local authority finances.

The trustees are very grateful to the staff team, whose energy and abilities underpin our achievements. We are also grateful to our dedicated volunteers for their vital work.

DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

The Year Ahead

The Dukes is looking forward to 2024/25 and beyond with a renewed sense of focus and determination to move forward. We are renewing our programming model with even more opportunities for audiences to experience the best in touring theatre, build on the success of our film festivals and screenings, and further embed our work with local communities and the creative sector. Recognising the challenges in sustaining and growing audiences, we are confident that our refreshed programming model will allow us to build even more audience loyalty whilst operating even more efficiently.

Trustee Induction and Training

All Trustees are given a complete welcome pack including information on the Organisational Plan, information of the Trust's work and achievements, copies of the Articles of Association, key organisational policies, Charity Commission - The Essential Trustee- What You Need To Know and a skill and contact audit. All Trustees are invited to meet the Director and have a tour of the building.

Risk Management

The trustees have documented processes in place for review and manage risk, including scrutiny by the Finance and Audit Committee. These include clearly delegated Financial Authorities, Business Continuity Planning, and financial reporting. A regular risk assessment is carried out by the board with actions to mitigate risks.

The major risks facing the Dukes are:

- Finance – the prevailing economic climate and rising operating costs mean that the Dukes needs to grow earned income beyond current levels, and focus on profitability in the coming years. We recognise that neither local or national funding for culture is likely to increase. The charity holds cash reserves but cannot continue to operate with a trading deficit.
- Buildings – the need to improve our premises and the experience for all building users, whilst increasing financial opportunities and reducing environmental impact.
- Capacity and capability – the staff team is lean and delivers a high output and that investment in training and professional development has been limited in recent years. We need to ensure we have the resources and skills to achieve our ambitions.

Investment powers

The Trustees have wide powers of investment within the constitution.

Reserves policy

The Trustees aspire to retain 12 weeks operating costs in reserve.

The trustees who served during the year and up to the date of signature of the financial statements were:

N J Townsend	(Resigned 16 October 2024)
R Gauld	
T J Booker	
D Rigby	(Resigned 18 July 2023)
M J Collins	
G E Murphy	
W P Bancroft	(Appointed 23 May 2023)
S Chadwick	(Appointed 23 May 2023)
A E Cox	(Appointed 23 May 2023)
S Thornberry	(Appointed 19 September 2023)

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.



R Gaid
Chair

12 December 2024

DUKES PLAY HOUSE LIMITED (THE)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of Dukes Play House Limited (The) for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DUKES PLAY HOUSE LIMITED (THE)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DUKES PLAY HOUSE LIMITED (THE)

Opinion

We have audited the financial statements of Dukes Play House Limited (The) (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 31 March 2024 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 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

DUKES PLAY HOUSE LIMITED (THE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DUKES PLAY HOUSE LIMITED (THE)

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 directors' report included within the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DUKES PLAY HOUSE LIMITED (THE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DUKES PLAY HOUSE LIMITED (THE)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- 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 bias and 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 indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Azets Audit Services

Susanna Cassey (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

20 Dec '24

Chartered Accountants
Statutory Auditor

Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

DUKES PLAY HOUSE LIMITED (THE)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Current financial year

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
<u>Income and endowments from:</u>					
Donations and legacies	2	316,451	11,780	328,231	292,422
Charitable activities	3	1,135,950	38,887	1,174,837	1,145,243
Other trading activities	4	145,943	-	145,943	138,873
Investments	5	8,373	-	8,373	2,902
Other income	6	128,475	-	128,475	97,367
Total income		1,735,192	50,667	1,785,859	1,676,807
<u>Expenditure on:</u>					
Raising funds	7	166,697	-	166,697	146,590
Charitable activities	8	1,577,432	12,813	1,590,245	1,443,680
Other expenditure	12	76,549	-	76,549	71,589
Total expenditure		1,820,678	12,813	1,833,491	1,661,859
Net (outgoing)/incoming resources before transfers		(85,486)	37,854	(47,632)	14,948
Gross transfers between funds		9,691	(9,691)	-	-
Net (expenditure)/income for the year/ Net movement in funds		(75,795)	28,163	(47,632)	14,948
Fund balances at 1 April 2023		647,138	1,943	649,081	634,133
Fund balances at 31 March 2024		571,343	30,106	601,449	649,081

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DUKES PLAY HOUSE LIMITED (THE)

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<u>Income and endowments from:</u>				
Donations and legacies	2	292,422	-	292,422
Charitable activities	3	1,073,544	71,699	1,145,243
Other trading activities	4	138,873	-	138,873
Investments	5	2,902	-	2,902
Other income	6	97,367	-	97,367
Total income		1,605,108	71,699	1,676,807
<u>Expenditure on:</u>				
Raising funds	7	146,590	-	146,590
Charitable activities	8	1,373,532	70,148	1,443,680
Other expenditure	12	71,589	-	71,589
Total expenditure		1,591,711	70,148	1,661,859
Net (outgoing)/incoming resources before transfers		13,397	1,551	14,948
Net (expenditure)/income for the year/ Net movement in funds		13,397	1,551	14,948
Fund balances at 1 April 2022		633,741	392	634,133
Fund balances at 31 March 2023		647,138	1,943	649,081

DUKES PLAY HOUSE LIMITED (THE)

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	14		19,061		37,415
Current assets					
Stocks	15	1,484		2,313	
Debtors	16	174,081		173,394	
Cash at bank and in hand		615,220		597,914	
		<u>790,785</u>		<u>773,621</u>	
Creditors: amounts falling due within one year	17	<u>(208,397)</u>		<u>(161,955)</u>	
Net current assets			582,388		611,666
Total assets less current liabilities			<u>601,449</u>		<u>649,081</u>
Income funds					
Restricted funds	19		30,106		1,943
<u>Unrestricted funds</u>					
Designated funds:					
Operating reserve		200,000		200,000	
Other designated funds		150,000		150,000	
	20	<u>350,000</u>		<u>350,000</u>	
General unrestricted funds		221,343		297,138	
			<u>571,343</u>		<u>647,138</u>
			<u>601,449</u>		<u>649,081</u>

The financial statements were approved by the Trustees on12.12.24



Mr Roderick Gauld

Company Registration No. 01077517

DUKES PLAY HOUSE LIMITED (THE)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	24		8,933		(85,579)
Investing activities					
Investment income received		8,373		2,902	
Net cash generated from investing activities			8,373		2,902
Financing activities					
Repayment of bank loans		-		(250,000)	
Net cash used in financing activities			-		(250,000)
Net increase/(decrease) in cash and cash equivalents			17,306		(332,677)
Cash and cash equivalents at beginning of year			597,914		930,591
Cash and cash equivalents at end of year			<u>615,220</u>		<u>597,914</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

The Dukes Playhouse Limited is a private charitable company limited by guarantee and is incorporated and domiciled in England and Wales. The address of the registered office is The Dukes, Moor Lane, Lancaster, LA1 1QE.

The nature of the its operations and its principle activities are detailed in the trustees report attached to these financial statements.

1.1 Accounting convention

The charity is a Public Benefit Entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements show net unrestricted expenditure of £75,795 and unrestricted funds at the year end of £571,343. The trustees have prepared financial forecasts and budgets which incorporate the ACE funding to March 2026 and the service level agreement with Lancaster City Council which demonstrate the future viability of the charitable company and its ability to meet its debts as they fall due.

Therefore at the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income in respect of productions is recognised in the period in which the production occurs.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Income from Government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be reliably measured.

Income received in advance of a theatrical performance or provision of other specified service is deferred until the criteria for income recognition are met.

Other trading income is recognised on a receivable basis.

Investment income is recognised in the SoFA in the year in which it is receivable.

1.5 Expenditure

Expenditure is recognised once there is a constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be reliably measured. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs of trading of the bar and catering facilities.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to those activities and those of an indirect nature necessary to support them.

Other costs represent those items not falling into the categories above.

Support costs relate to those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's programmes and activities. These costs have been allocated between costs of raising funds and expenditure on charitable activities. Support costs are apportioned on an appropriate basis eg floor area, per capita or estimated usage.

1.6 Tangible fixed assets

Tangible fixed assets costing more than £1,000 are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

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

Leasehold improvements	term of lease
Fixtures and fittings	4-10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling. Cost is based on the cost of the purchase on a first in first out basis.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes.

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.12 Employee benefits

When employees have rendered services to the charity, short term employee benefits to which the employee is entitled are recognised at the amount expected to be paid for that service.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2024	2024	2024	2023
	£	£	£	£
Donations and gifts	55,547	11,780	67,327	31,518
Arts Council England	260,904	-	260,904	260,904
	<u>316,451</u>	<u>11,780</u>	<u>328,231</u>	<u>292,422</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Fundraising events	28,102	39,203
Trading activity income: Bar and Catering	117,841	99,670
	<u>145,943</u>	<u>138,873</u>
Other trading activities	<u>145,943</u>	<u>138,873</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Interest receivable	8,373	2,902
	<u>8,373</u>	<u>2,902</u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Other income	17,213	22,241
Theatre tax credit	111,262	75,126
	<u>128,475</u>	<u>97,367</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
<u>Trading costs</u>		
Other trading activities	51,749	48,252
Staff costs	73,652	58,465
Depreciation and impairment	558	558
Support costs	40,738	39,315
	<u> </u>	<u> </u>
Trading costs	<u>166,697</u>	<u>146,590</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Charitable activities	Theatre Independent cinema		Creative learning	Total	Theatre Independent cinema		Creative learning	Total
	2024	2024			2023	2023		
	£	£	£	£	£	£	£	£
Staff costs	201,827	60,578	48,258	310,663	167,064	66,990	55,731	289,785
Depreciation and impairment	26,102	315	-	26,417	17,035	832	511	18,378
Production costs	120,996	-	-	120,996	122,216	-	-	122,216
Film hire and carriage	-	106,986	-	106,986	-	89,566	-	89,566
Marketing	79,210	12,173	-	91,383	73,110	5,935	-	79,045
Creative learning	-	-	103,640	103,640	-	-	56,022	56,022
Incoming tours	114,629	-	-	114,629	132,010	-	-	132,010
SRO Box Office costs	27,389	-	-	27,389	27,586	-	-	27,586
Other	23,560	-	-	23,560	1,855	-	-	1,855
	593,713	180,052	151,898	925,663	540,876	163,323	112,264	816,463
Share of support costs (see note 9)	420,959	162,952	54,317	638,228	406,258	157,261	52,420	615,939
Share of governance costs (see note 9)	26,354	-	-	26,354	11,278	-	-	11,278
	1,041,026	343,004	206,215	1,590,245	958,412	320,584	164,684	1,443,680
Analysis by fund								
Unrestricted funds	1,041,026	330,191	206,215	1,577,432	958,412	287,183	127,937	1,373,532
Restricted funds	-	12,813	-	12,813	-	33,401	36,747	70,148
	1,041,026	343,004	206,215	1,590,245	958,412	320,584	164,684	1,443,680

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

9 Support costs	Support Governance costs		2024		Support Governance costs		2023		Basis of allocation
	£	£	£	£	£	£	£		
Staff costs	495,684	-	495,684	499,235	-	499,235	Staff time		
Rent and rates	21,516	-	21,516	31,475	-	31,475	Usage		
Heat and light	40,504	-	40,504	34,123	-	34,123	Usage		
Cleaning	12,037	-	12,037	9,848	-	9,848	Staff time		
Repairs and maintenance	17,314	-	17,314	9,140	-	9,140	Usage		
Telephone	5,361	-	5,361	5,049	-	5,049	Usage		
Insurance	24,795	-	24,795	11,213	-	11,213	Floor area		
Stationery and computer	20,493	-	20,493	15,585	-	15,585	Usage		
Licences and subscriptions	4,343	-	4,343	2,621	-	2,621	Usage		
Staff recruitment and training	2,886	-	2,886	(694)	-	(694)	Usage		
Office & sundry expenditure	34,033	-	34,033	37,659	-	37,659	Usage		
Audit fees	-	9,750	9,750	-	9,430	9,430	Governance		
Governance costs	-	16,604	16,604	-	1,848	1,848	Governance		
	<u>678,966</u>	<u>26,354</u>	<u>705,320</u>	<u>655,254</u>	<u>11,278</u>	<u>666,532</u>			
Analysed between									
Trading	40,738	-	40,738	39,315	-	39,315			
Charitable activities	638,228	26,354	664,582	615,939	11,278	627,217			
	<u>678,966</u>	<u>26,354</u>	<u>705,320</u>	<u>655,254</u>	<u>11,278</u>	<u>666,532</u>			

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses from the charity during the year. All trustees can receive two free tickets for the guest night performance of a Dukes theatre production.

11 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Technical - Full time	5	4
Technical - Part time	1	1
Front of house - Full time	2	2
Front of house - Part time	13	14
Administrative - Full time	6	6
Administrative - Part time	3	4
Creative communities - Full time	1	1
Creative communities - Part time	1	1
Total	<u>32</u>	<u>33</u>

Employment costs	2024 £	2023 £
Wages and salaries	812,628	782,261
Social security costs	43,636	44,268
Other pension costs	23,735	20,956
	<u>879,999</u>	<u>847,485</u>

The average number of full time equivalent employees is 26 (2023: 23). This is calculated using half the number of part time staff.

There were no employees whose annual remuneration was more than £60,000.

12 Other expenditure

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Financing costs	25,104	23,227
Other expenditure	51,445	48,362
	<u>76,549</u>	<u>71,589</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Total £
Cost			
At 1 April 2023	730,701	548,286	1,278,987
At 31 March 2024	730,701	548,286	1,278,987
Depreciation and impairment			
At 1 April 2023	730,701	510,871	1,241,572
Depreciation charged in the year	-	18,354	18,354
At 31 March 2024	730,701	529,225	1,259,926
Carrying amount			
At 31 March 2024	-	19,061	19,061
At 31 March 2023	-	37,415	37,415

Included in leasehold property improvements is conversion work carried out on a derelict church to create a Moor Lane Additional Building. The net book value of Moor Lane Additional Building at the year end was £nil. The work originally undertaken amounted to £280,750 and was funded by a National Lottery grant of £194,750 from Arts Council England and a grant of £86,000 from Lancaster City Council. The Dukes Playhouse Limited, as part of its charitable aims, supports Moor Lane Additional Building in its work in providing participation activities for local young people.

Included in leasehold property improvements is refurbishment work to the 'round' theatre. The net book value of the studio refurbishment at the year end was £nil. The work originally undertaken amounted to £380,583 and was funded by a grant of £260,383 from North West Development Agency and a grant of £99,100 from Arts Council England.

15 Stocks

	2024 £	2023 £
Goods for sale and consumables	1,484	2,313

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

16 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	7,573	7,689
Other debtors	133,152	140,205
Prepayments	33,356	25,500
	<u>174,081</u>	<u>173,394</u>

17 Creditors: amounts falling due within one year

	2024	2023
	£	£
	Notes	
Other taxation and social security	27,904	17,418
Deferred income	18 68,924	34,374
Trade creditors	41,809	31,381
Other creditors	14,876	26,520
Accruals	54,884	52,262
	<u>208,397</u>	<u>161,955</u>

18 Deferred income

	2024	2023
	£	£
Arising from government grants	17,208	17,216
Arising from Relating to post year end productions	51,716	17,158
	<u>68,924</u>	<u>34,374</u>

Deferred income is included in the financial statements as follows:

	2024	2023
	£	£
Deferred income is included within:		
Current liabilities	<u>68,924</u>	<u>34,374</u>
Movements in the year:		
Deferred income at 1 April 2023	34,374	57,883
Released from previous periods	(34,374)	(57,883)
Resources deferred in the year	<u>68,924</u>	<u>34,374</u>
Deferred income at 31 March 2024	<u>68,924</u>	<u>34,374</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 Deferred income

(Continued)

The income in the above note has been deferred as it relates to box office productions which occurred after 31 March 2024 or grants with unfulfilled conditions at the year end.

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		Movement in funds		Movement in funds	
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Renovate the Rake	-	-	-	-	11,780	-	-	11,780
Bring me Laughter	-	-	-	-	9,691	-	(9,691)	-
Prime Time	-	23,000	(23,000)	-	-	-	-	-
Eat for Victory	-	5,000	(5,000)	-	-	-	-	-
Young Carers	395	8,355	(8,750)	-	-	-	-	-
Film Exhibition Fund	-	35,343	(33,400)	1,943	29,196	(12,813)	-	18,326
Rounding	(3)	3	-	-	-	-	-	-
	392	71,701	(70,150)	1,943	50,667	(12,813)	(9,691)	30,106

Renovate the Rake represents donations from customers to renovate one of their theatres, the Rake.

Bring me Laughter represents the remaining monies received for a project that finished two years ago. These monies received were brought in as restricted in accordance with the original funding, however since the project is complete, they have been transferred to unrestricted funds.

Prime Time represents grants to fund projects for people aged 65+ across Lancaster and Morecambe to explore creativity and social isolation.

Eat for Victory represents grants to fund a project exploring WWII with young people locally in partnership with Lancaster Museums.

Young Carers represents grants received to operate an arts festival to benefit young carers.

The Film Exhibition Fund represents grants received to hold exhibitions of films including relevant speakers and presentations.

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		Balance at 31 March 2024 £
	Balance at 1 April 2022 £	Movements to 31 March 2022 £	Balance at 1 April 2023 £	Movements to 31 March 2023 £	
Operating reserve	200,000	-	200,000	-	200,000
Capital programme	80,000	-	80,000	-	80,000
Artistic Programme Investment	30,000	-	30,000	-	30,000
Audience Development	20,000	-	20,000	-	20,000
Capacity Building	20,000	-	20,000	-	20,000
	<u>350,000</u>	<u>-</u>	<u>350,000</u>	<u>-</u>	<u>350,000</u>

Operating Reserves - £200,000

Removed from the general cash flow and designated as an operating reserve for use when approved by the Board. This is equal to 12 weeks of the Dukes pre COVID turnover.

Capital Programme - £80,000

In light of the Dukes ongoing capital needs and also its future ambitions that this reserve is established and the funds used only for major capital emergency needs (including purchasing of equipment vital to operation) and as match funding for any other major capital bids (including pre bid requirements).

Artistic Programme Investment - £30,000

This fund would be used for investment in artistic programme in the future that would return a level of financial capital back to the organisation. Examples could be further investment in digital programming, match funding for co-productions or to support the growth of the Dukes Home-grown productions.

Audience Development - £20,000

The Dukes faces an uncertain future with regards to audiences. This fund would be used to support audience development and marketing programmes outside the normal marketing budget with clear goals and milestones of delivery. These programmes would be focused on increasing audiences and investing in new marketing practices or training.

Capacity Building - £20,000

The Dukes capacity within the staff team is an ongoing challenge which would benefit at times from additional capacity on a short term basis however budgeting for this support is challenging within the current budget model. This fund would be used to fund additional capacity on short term basis particularly in areas of development such as fundraising, marketing and financial management.

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 March 2024 are represented by:						
Tangible assets	19,061	-	19,061	37,415	-	37,415
Current assets/(liabilities)	552,282	30,106	582,388	609,723	1,943	611,666
	<u>571,343</u>	<u>30,106</u>	<u>601,449</u>	<u>647,138</u>	<u>1,943</u>	<u>649,081</u>

22 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	<u>20,500</u>	<u>21,074</u>

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2024 £	2023 £
Aggregate compensation	<u>59,711</u>	<u>66,548</u>

24 Cash generated from operations

	2024 £	2023 £
(Deficit)/surplus for the year	(47,632)	14,948
Adjustments for:		
Investment income recognised in statement of financial activities	(8,373)	(2,902)
Depreciation and impairment of tangible fixed assets	18,356	18,936
Movements in working capital:		
Decrease/(increase) in stocks	829	(18)
(Increase) in debtors	(687)	(66,196)
Increase/(decrease) in creditors	11,890	(26,838)
Increase/(decrease) in deferred income	34,550	(23,509)
Cash generated from/(absorbed by) operations	<u>8,933</u>	<u>(85,579)</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Analysis of changes in net funds

The charity had no debt during the year.

THE DUKE'S PLAYHOUSE LIMITED

England & Wales - Charity number 501935

Accounts

Charity registration number 501935

Company registration number 01077517 (England and Wales)

DUKES PLAY HOUSE LIMITED (THE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

DUKES PLAY HOUSE LIMITED (THE)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	N J Townsend R Gauld T J Booker M J Collins G E Murphy W P Bancroft S Chadwick A E Cox
Secretary	K O'Neill
Charity number	501935
Company number	01077517
Principal address	The Dukes Moor Lane Lancaster United Kingdom LA1 1QE
Registered office	The Dukes Moor Lane Lancaster United Kingdom LA1 1QE
Auditor	Azets Audit Services Fleet House New Road Lancaster United Kingdom LA1 1EZ
Bankers	NatWest Bank 68 Church Street Lancaster United Kingdom LA1 1LN
Solicitors	Holdens 2 Castle Hill Lancaster United Kingdom LA1 1YR

DUKES PLAY HOUSE LIMITED (THE)

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DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

REPORT TO THE COMMITTEE OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2023

The committee of management, who are directors of the company and trustees of the charity, present their annual report on the affairs of the charity, together with the financial statements and auditors' report for the year ended 31 March 2023. This report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies' exemption.

Structure, governance, and management

Dukes Play House Limited (The) (referred to either as "The Dukes Playhouse" or "The Dukes" throughout these financial statements) is a company limited by guarantee incorporated under the Companies Act under company no. 1077517 and is governed by the Memorandum and Articles of Association dated 19th October 1972 as amended dated 21 January 1999, 6 September 2005, 7th November 2017, and 18th October 2018.

The company is also a registered charity, charity no. 501935 and operates on a not-for-profit basis.

Its registered office is The Dukes Playhouse Ltd, Moor Lane, Lancaster, LA1 1QE. Its principal operating address is The Dukes, Moor Lane, Lancaster, LA1 1QE.

The company is governed by the Board of Trustees ("Board") as Directors of the company. Board members are appointed by the committee by simple majority. There are a maximum of 12 Trustees who may serve a maximum term of 4 years and then reappointment for 4 years. All are independently appointed members. Representatives of the major funders are invited to attend Board meetings.

The regular cycle of six formal meetings was maintained with an additional six subcommittee meetings to oversee Finance.

The Board is responsible for the overall policy and scrutiny of the financial performance of the organisation. The Board ensures the accountability to key funders and stakeholders and the appointment of the Director/CEO and pay and remuneration of the Director/CEO.

The day-to-day management of the company is delegated by the Board to the Director overseeing the senior management team of Head of Finance, Head of Marketing & Sales, Head of Creative Communities, Head of Film, Head of Technical & Production, Talent Development and Programme Manager and Head of Visitor Experience.

Review of the Year

Vision

The Dukes' Mission

To bring the best in live performance and cinema to the communities of Lancashire in our venue and other spaces.

To create and actively support the opportunities for communities, individuals, and artists to develop their own creative work and its delivery.

The Dukes' Vision

The Dukes creates and presents a diverse collection of storytelling through a range of art forms that delivers excellence, inspiration, and challenge.

The Dukes is a catalyst for communities, individuals, and artists to develop their own creativity and practice.

The Dukes is a place of cultural leadership and imaginative conversation.

DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Artistic and Audience Development

The last twelve months have been a period of recovery for the Dukes post the COVID impact. During this period, we have strived to rebuild the organisation both in its delivery and internally building upon the groundwork pre pandemic and the COVID closure period.

Moving towards a more stable and well-resourced business model has been vital building back our programmes, audiences, participants, and impact. Financially the Dukes is in an increasingly stable position with strong reserves and designated funds supporting a positive cashflow situation which has been achieved through continued streamlining of costs, good investment in the organisation structure and proactive income generation.

The Dukes continues to develop its artistic programme and grow audiences through our own programmes and partnership working.

Our key achievements over the last financial year include:

- Welcoming over 66k audiences to film or a live performance both at the Dukes and off-site events across Lancaster and Morecambe
- Our live performance programme achieved a 70% average capacity.
- Our Play in the Park show completely sold out and welcomed 49% new audiences and 68% from outside Lancaster.
- Co delivered Light Up Lancaster in partnership with Lancaster BID and Lancaster City Council which brought international artists to Lancaster and was experienced by 58,000 audiences.
- We launched two new film festivals Dark Dukes and Green Screen with audiences of over 5500 enjoying films, workshops, talks and themed activities. We partnered with the BFI to offer film makers opportunities.
- Sun Square cinema was launched with Lancaster BID and Lancaster City Council with headphone screenings in Sun Square on Sundays.
- Introduced new cinema programmes including food and film, film quiz, film talks and continued to work with LA1 Shorts film festival.
- Blast Fest our new work festival supporting North West based artists was launched and commissioned 5 artists to create new work. Over 130 people attended a free sharing at the Dukes.
- Lancaster Playwriting Prize in partnership with Lancaster University had 24 entries from Neurodiverse/disabled Playwrights from across the North West and was won by Matthew Gabrielli with 'Fools Gold.'
- Partnered with our first Creative Collaborator company One Tenth Human as a part of an 18-month support programme.
- Supported 30 artists locally with space for R&D and exhibitions space free of charge.

DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2023*

The Dukes is an audience focused organisation, making the arts and creativity available and accessible to all members of our community, and developing a diverse and highly engaged audience base. The Dukes achieves this through by synergising the strategies of long term committed community engagement and strategic marketing/communications, creating access points to move from participation to attendance to creation through special events, offers, and support for developing artists. The Dukes invests in assets, data management, engagement strategies and creative output.

We continue to consolidate our programme and grow our community work with ambitions to reach deeper into our communities, spread our creativity wider and continue to push higher as a key cultural asset and talent hub for Lancaster/Morecambe.

In 22/23 we:

- Grew our team with new roles in marketing, technical and programming.
- Supported young people to explore creative careers in partnership with Lancaster University through our MAKE programme and Memorandum of Agreement – 98 young people completing paid and volunteer internships, placements, and yearlong programme. Many have now gone on to secure full time roles in the creative sector, education, the third sector and business.
- Welcomed 64 schools to performances and cinema at the Dukes.
- Had 13000 participations across our Creative Communities programme including young carers, older people, schools, students and young people across Lancaster and Morecambe
- Established our new advisory groups Community Forum and Youth Board.
- Secured our 3-year NPO funding from Arts Council England and continued our successful partnership with Lancaster City Council as a core funder.
- Secured over £290k of additional funding from grants and foundations to support our programme and work within the community.
- Brought together Arts leaders and Chairs of the Board for Lancashire's first Governance Conference 'In Governance We Trust' in partnership with Arts Lancashire and Clore Leadership.

DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Organisational Development

With the strong governance of our Board and the support our team of amazing volunteers the Dukes is a dynamic resilient cultural organisation with a high level of engagement with audiences and the community hosting a vibrant and diverse programme of relevant live performance and cinema that places the Dukes at the heart of the Lancaster/Morecambe cultural offer and as a leading organisation regionally. We are committed to investing in our people, artists, audiences, and place.

The Dukes has continued to push along its trajectory of an inclusive, resilient, exciting, high-quality organisation with audiences and artists at its heart. The Dukes is in a strong position to continue its growth as a core cultural and arts leader.

The Dukes has also worked extremely hard to maintain the organisation and ensure the future resilience of the Dukes after such a previous growth period of growth. We are still dealing with the impact of COVID and additionally this year we have faced the challenges of rising inflation and the cost-of-living crisis. This situation has seen costs increased across all areas and a reduction in sales/donations as people make difficult choices.

The Dukes business model is heavily weighted to earned income (80% of turnover) and over the last 12 months we have been working steadily to grow back that income generation as funding resources reduced. We have worked strategically on audience development with a focus on audience experience and marketing and comms to support a strong artistic programme reflecting the quality of the Dukes. The Dukes continues to actively source all resources of additional income and support whilst reviewing and restricting all expenditure to ensure the organisation is lean and adaptable.

The Dukes delivered new business plan and budget for 22/23 and has developed outline plans until 2026 which have been approved by the Board and consulted with the staff team. This plan will be under constant review.

The Dukes has also secured continuing support from Arts Council England as a National Portfolio Organisation and a Service Level Agreement with Lancaster City Council.

The Dukes team is an experienced team supported by the Director and Board at a senior level to adapt as needed. The Director has significant background in cultural leadership with previous experience of financial turnaround, commercial operations, fundraising & organisational development. The Board has a range of skills, from charity operations, financial expertise, HR, legal & creative engagement. The Dukes has a system of robust financial monitoring with detailed financial reports, business modelling, cost control measures, reported monthly to a Finance & Audit Committee led by the Treasurer who has significant financial experience running large institutions. The Director oversees all aspects of the organisation's financial viability, resilience & sustainability.

The year-end saw the organisation deliver an even position through strong financial management in this period. This enabled the Dukes to further stabilise and invest.

The successes of the last year could not have been delivered without the energy and drive of the whole staff team. The Trustees are grateful for the dedication and commitment that underpins a year of high achievements.

The Dukes continues to be grateful for the assistance of volunteers. This work is vital to the Dukes and our volunteers also act as ambassadors for the theatre. We must also record our appreciation for the dedication of the Board and the Members who provide clear governance, support, and advocate for the Dukes.

The Dukes continues to have a positive relationship with Lancaster City Council and Arts Council England. The Trustees recognise the importance of the generous support from these two key stakeholders.

The Trustees recognise the risk of future cutbacks and the impact of inflation and cost of living. The Trustees are working alongside Lancaster City Council to secure a lease for the Dukes and a new Service Level agreement for 23/24 has been secured.

DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

The Year Ahead

The Dukes is looking forward to 23/24 with a renewed sense of focus and determination to move forward. The Dukes will continue to build upon the successes of the last few years and further embed its work within the local community and creative sector. The Dukes recognises that the next period will be challenging due to the impact of the cost-of-living crisis.

Trustee Induction and Training

All Trustees are given a complete welcome pack including information on the Organisational Plan, information of the Trust's work and achievements, copies of the Articles of Association, key organisational policies, Charity Commission - The Essential Trustee- What You Need To Know and a skill and contact audit. All Trustees are invited to meet the Director and have a tour of the building.

Risk Management

Board governance and decision-making is managed through several key documented processes which are reviewed by Board members and further scrutinised by the Finance and Audit Committee. These documents and processes including the Financial Authorities, Business Continuity Plan, Profit and Loss breakdown and bi monthly management accounts are tailored to the needs of the organisation and the risks it is exposed to. The Board adopted a full organisational risk assessment developed in house. This will be a live document that will be updated on 6 monthly basis. It should be noted that COVID has an individual risk register and monitoring process via the COVID Response Team. Additional ongoing process and actions to mitigate risk are detailed in the Organisational Plan. Monitoring and evaluation take place across the organisation to inform programme, project, and service development.

Investment powers

The Trustees have wide powers of investment

Reserves policy

The Trustees aspire to retain 12 weeks operating costs in reserve.

The trustees who served during the year and up to the date of signature of the financial statements were:

A J Hatton-Yeo MBE	(Resigned 19 July 2022)
N J Townsend	
R Gauld	
T J Booker	
A P Odon	(Resigned 24 January 2023)
C B Tyrer	(Resigned 24 January 2023)
D Rigby	(Resigned 18 July 2023)
M C Whitehead	(Resigned 22 May 2022)
M J Collins	(Appointed 21 November 2022)
G E Murphy	(Appointed 21 November 2022)
W P Bancroft	(Appointed 23 May 2023)
S Chadwick	(Appointed 23 May 2023)
A E Cox	(Appointed 23 May 2023)

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

DUKES PLAY HOUSE LIMITED (THE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.



.....
R Gould
Chair

Date: 25 / 10 / 23 .

DUKES PLAY HOUSE LIMITED (THE)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of Dukes Play House Limited (The) for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DUKES PLAY HOUSE LIMITED (THE)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DUKES PLAY HOUSE LIMITED (THE)

Opinion

We have audited the financial statements of Dukes Play House Limited (The) (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 31 March 2023 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 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

DUKES PLAY HOUSE LIMITED (THE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DUKES PLAY HOUSE LIMITED (THE)

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 directors' report included within the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DUKES PLAY HOUSE LIMITED (THE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DUKES PLAY HOUSE LIMITED (THE)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- 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 bias and 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 indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Azets Audit Services

Susanna Cassey (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

Chartered Accountants
Statutory Auditor

16 Nov '23

Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

DUKES PLAY HOUSE LIMITED (THE)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
<u>Income and endowments from:</u>					
Donations and legacies	2	292,422	-	292,422	372,903
Charitable activities	3	1,073,544	71,699	1,145,243	894,297
Other trading activities	4	138,873	-	138,873	119,773
Investments	5	2,902	-	2,902	80
Other income	6	97,367	-	97,367	83,999
Total income		1,605,108	71,699	1,676,807	1,471,052
<u>Expenditure on:</u>					
Raising funds	7	146,590	-	146,590	101,334
Charitable activities	8	1,373,532	70,148	1,443,680	1,193,752
Other expenditure	12	71,589	-	71,589	70,049
Total expenditure		1,591,711	70,148	1,661,859	1,365,135
Net income for the year/ Net movement in funds		13,397	1,551	14,948	105,917
Fund balances at 1 April 2022		633,741	392	634,133	528,216
Fund balances at 31 March 2023		647,138	1,943	649,081	634,133

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DUKES PLAY HOUSE LIMITED (THE)

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<u>Income and endowments from:</u>				
Donations and legacies	2	372,903	-	372,903
Charitable activities	3	882,722	11,575	894,297
Other trading activities	4	119,773	-	119,773
Investments	5	80	-	80
Other income	6	83,999	-	83,999
Total income		1,459,477	11,575	1,471,052
<u>Expenditure on:</u>				
Raising funds	7	101,334	-	101,334
Charitable activities	8	1,178,341	15,411	1,193,752
Other expenditure	12	59,024	11,025	70,049
Total expenditure		1,338,699	26,436	1,365,135
Gross transfers between funds		47,738	(47,738)	-
Net income for the year/ Net movement in funds		168,516	(62,599)	105,917
Fund balances at 1 April 2021		465,225	62,991	528,216
Fund balances at 31 March 2022		633,741	392	634,133

DUKES PLAY HOUSE LIMITED (THE)

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		37,415		56,351
Current assets					
Stocks	15	2,313		2,295	
Debtors	16	173,394		107,198	
Cash at bank and in hand		597,914		930,591	
		<u>773,621</u>		<u>1,040,084</u>	
Creditors: amounts falling due within one year	17	<u>(161,955)</u>		<u>(258,135)</u>	
Net current assets			611,666		781,949
Total assets less current liabilities			<u>649,081</u>		<u>838,300</u>
Creditors: amounts falling due after more than one year	18		-		(204,167)
Net assets			<u>649,081</u>		<u>634,133</u>
Income funds					
Restricted funds	21		1,943		392
<u>Unrestricted funds</u>					
Designated funds:					
Operating reserve		200,000		200,000	
Other designated funds		150,000		150,000	
	22	<u>350,000</u>		<u>350,000</u>	
General unrestricted funds		297,138		283,741	
			<u>647,138</u>		<u>633,741</u>
			<u>649,081</u>		<u>634,133</u>

The financial statements were approved by the Trustees on 25/10/23.



Mr Roderick Gauld

Company Registration No. 01077517

DUKES PLAY HOUSE LIMITED (THE)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26		(85,579)		285,016
Investing activities					
Purchase of tangible fixed assets		-		(47,494)	
Investment income received		2,902		80	
		<u>2,902</u>		<u>80</u>	
Net cash generated from/(used in) investing activities			2,902		(47,414)
Financing activities					
Proceeds from new bank loans		-		250,000	
Repayment of bank loans		(250,000)		-	
		<u>(250,000)</u>		<u>-</u>	
Net cash (used in)/generated from financing activities			(250,000)		250,000
Net (decrease)/increase in cash and cash equivalents			(332,677)		487,602
Cash and cash equivalents at beginning of year			930,591		442,989
Cash and cash equivalents at end of year			<u>597,914</u>		<u>930,591</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

The Dukes Playhouse Limited is a private charitable company limited by guarantee and is incorporated and domiciled in England and Wales. The address of the registered office is The Dukes, Moor Lane, Lancaster, LA1 1QE.

The nature of the its operations and its principle activities are detailed in the trustees report attached to these financial statements.

1.1 Accounting convention

The charity is a Public Benefit Entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements show net unrestricted income of £13,397 and unrestricted funds at the year end of £647,138. The trustees have prepared financial forecasts and budgets which incorporate the ACE funding to March 2026 and new service level agreement with Lancaster City Council and incorporate the COVID-19 considerations discussed in the trustees report which demonstrate the future viability of the charitable company and its ability to meet its debts as they fall due.

Therefore at the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income in respect of productions is recognised in the period in which the production occurs.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Income from Government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be reliably measured.

Income received in advance of a theatrical performance or provision of other specified service is deferred until the criteria for income recognition are met.

Other trading income is recognised on a receivable basis.

Investment income is recognised in the SoFA in the year in which it is receivable.

1.5 Expenditure

Expenditure is recognised once there is a constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be reliably measured. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs of trading of the bar and catering facilities.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to those activities and those of an indirect nature necessary to support them.

Other costs represent those items not falling into the categories above.

Support costs relate to those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's programmes and activities. These costs have been allocated between costs of raising funds and expenditure on charitable activities. Support costs are apportioned on an appropriate basis eg floor area, per capita or estimated usage.

1.6 Tangible fixed assets

Tangible fixed assets costing more than £1,000 are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

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

Leasehold improvements	term of lease
Fixtures and fittings	4-10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling. Cost is based on the cost of the purchase on a first in first out basis.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes.

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.12 Employee benefits

When employees have rendered services to the charity, short term employee benefits to which the employee is entitled are recognised at the amount expected to be paid for that service.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Donations and gifts	31,518	64,896
Arts Council England	260,904	308,007
	<u>292,422</u>	<u>372,903</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Charitable activities

	Theatre	Independent cinema	Creative learning	Total 2023	Theatre	Independent cinema	Creative learning	Total 2022
	2023	2023	2023		2022	2022	2022	
	£	£	£	£	£	£	£	£
Income from charitable activities	597,918	148,486	-	746,404	424,933	101,081	-	526,014
Performance related grants	286,221	38,744	-	324,965	280,344	9,930	1,645	291,919
Other income	28,802	-	45,072	73,874	45,345	-	31,019	76,364
	<u>912,941</u>	<u>187,230</u>	<u>45,072</u>	<u>1,145,243</u>	<u>750,622</u>	<u>111,011</u>	<u>32,664</u>	<u>894,297</u>
Analysis by fund								
Unrestricted funds	876,586	151,886	45,072	1,073,544	750,622	101,081	31,019	882,722
Restricted funds	36,355	35,344	-	71,699	-	9,930	1,645	11,575
	<u>912,941</u>	<u>187,230</u>	<u>45,072</u>	<u>1,145,243</u>	<u>750,622</u>	<u>111,011</u>	<u>32,664</u>	<u>894,297</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fundraising events	39,203	56,410
Trading activity income: Bar and Catering	99,670	63,363
	<u> </u>	<u> </u>
Other trading activities	138,873	119,773
	<u> </u>	<u> </u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	2,902	80
	<u> </u>	<u> </u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Other income	22,241	16,211
Theatre tax credit	75,126	36,968
Coronavirus job retention scheme grant	-	30,820
	<u> </u>	<u> </u>
	97,367	83,999
	<u> </u>	<u> </u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Trading costs</u>		
Other trading activities	48,252	27,493
Staff costs	58,465	40,666
Depreciation and impairment	558	558
Support costs	39,315	32,617
	<hr/>	<hr/>
Trading costs	146,590	101,334
	<hr/>	<hr/>
	<u>146,590</u>	<u>101,334</u>
	<u> </u>	<u> </u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Charitable activities

	Theatre Independent cinema		Creative learning	Total 2023	Theatre Independent cinema		Creative learning	Total 2022
	2023	2023	2023		2022	2022	2022	
	£	£	£	£	£	£	£	£
Staff costs	167,064	66,990	55,731	289,785	171,510	61,838	47,342	280,690
Depreciation and impairment	17,035	832	511	18,378	25,320	832	4,643	30,795
Production costs	122,216	-	-	122,216	67,948	-	-	67,948
Film hire and carriage	-	89,566	-	89,566	-	46,817	-	46,817
Marketing	73,110	5,935	-	79,045	29,360	10,802	-	40,162
Creative learning	-	-	56,022	56,022	-	-	53,464	53,464
Incoming tours	132,010	-	-	132,010	112,512	-	-	112,512
SRO Box Office costs	27,586	-	-	27,586	23,540	-	-	23,540
Other	1,855	-	-	1,855	711	-	-	711
	<u>540,876</u>	<u>163,323</u>	<u>112,264</u>	<u>816,463</u>	<u>430,901</u>	<u>120,289</u>	<u>105,449</u>	<u>656,639</u>
Share of support costs (see note 9)	406,258	157,261	52,420	615,939	337,044	130,469	43,490	511,003
Share of governance costs (see note 9)	11,278	-	-	11,278	26,110	-	-	26,110
	<u>958,412</u>	<u>320,584</u>	<u>164,684</u>	<u>1,443,680</u>	<u>794,055</u>	<u>250,758</u>	<u>148,939</u>	<u>1,193,752</u>
Analysis by fund								
Unrestricted funds	958,412	287,183	127,937	1,373,532	789,824	240,828	147,689	1,178,341
Restricted funds	-	33,401	36,747	70,148	4,231	9,930	1,250	15,411
	<u>958,412</u>	<u>320,584</u>	<u>164,684</u>	<u>1,443,680</u>	<u>794,055</u>	<u>250,758</u>	<u>148,939</u>	<u>1,193,752</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022	Basis of allocation
	£	£	£	£	£	£	
Staff costs	499,235	-	499,235	371,843	-	371,843	Staff time
Rent and rates	31,475	-	31,475	26,373	-	26,373	Usage
Heat and light	34,123	-	34,123	36,460	-	36,460	Usage
Cleaning	9,848	-	9,848	8,197	-	8,197	Staff time
Repairs and maintenance	9,140	-	9,140	11,081	-	11,081	Usage
Telephone	5,049	-	5,049	3,783	-	3,783	Usage
Insurance	11,213	-	11,213	15,654	-	15,654	Floor area
Stationery and computer	15,585	-	15,585	21,501	-	21,501	Usage
Licences and subscriptions	2,621	-	2,621	8,606	-	8,606	Usage
Staff recruitment and training	(694)	-	(694)	3,004	-	3,004	Usage
Office & sundry expenditure	37,659	-	37,659	37,118	-	37,118	Usage
Audit fees	-	9,430	9,430	-	8,050	8,050	Governance
Governance costs	-	1,848	1,848	-	18,060	18,060	Governance
	<u>655,254</u>	<u>11,278</u>	<u>666,532</u>	<u>543,620</u>	<u>26,110</u>	<u>569,730</u>	
Analysed between							
Trading	39,315	-	39,315	32,617	-	32,617	
Charitable activities	615,939	11,278	627,217	511,003	26,110	537,113	
	<u>655,254</u>	<u>11,278</u>	<u>666,532</u>	<u>543,620</u>	<u>26,110</u>	<u>569,730</u>	

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses from the charity during the year. All trustees can receive two free tickets for the guest night performance of a Dukes theatre production.

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Technical - Full time	4	5
Technical - Part time	1	-
Front of house - Full time	2	2
Front of house - Part time	14	14
Administrative - Full time	6	6
Administrative - Part time	4	4
Creative communities - Full time	1	1
Creative communities - Part time	1	1
	<u>33</u>	<u>33</u>

Employment costs

	2023 £	2022 £
Wages and salaries	782,261	646,643
Social security costs	44,268	29,967
Other pension costs	20,956	16,589
	<u>847,485</u>	<u>693,199</u>

The average number of full time equivalent employees is 23 (2022: 24). This is calculated using half the number of part time staff.

There were no employees whose annual remuneration was more than £60,000.

12 Other expenditure

	Unrestricted funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Net loss on disposal of tangible fixed assets	-	7,762	11,025	18,787
Financing costs	23,227	13,759	-	13,759
Other expenditure	48,362	37,503	-	37,503
	<u>71,589</u>	<u>59,024</u>	<u>11,025</u>	<u>70,049</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Other expenditure

(Continued)

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Total £
Cost			
At 1 April 2022	730,701	548,286	1,278,987
At 31 March 2023	730,701	548,286	1,278,987
Depreciation and impairment			
At 1 April 2022	730,701	491,935	1,222,636
Depreciation charged in the year	-	18,936	18,936
At 31 March 2023	730,701	510,871	1,241,572
Carrying amount			
At 31 March 2023	-	37,415	37,415
At 31 March 2022	-	56,351	56,351

Included in leasehold property improvements is conversion work carried out on a derelict church to create a Moor Lane Additional Building. The net book value of Moor Lane Additional Building at the year end was £nil. The work originally undertaken amounted to £280,750 and was funded by a National Lottery grant of £194,750 from Arts Council England and a grant of £86,000 from Lancaster City Council. The Dukes Playhouse Limited, as part of its charitable aims, supports Moor Lane Additional Building in its work in providing participation activities for local young people.

Included in leasehold property improvements is refurbishment work to the 'round' theatre. The net book value of the studio refurbishment at the year end was £nil. The work originally undertaken amounted to £380,583 and was funded by a grant of £260,383 from North West Development Agency and a grant of £99,100 from Arts Council England.

15 Stocks

	2023 £	2022 £
Goods for sale and consumables	2,313	2,295

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	7,689	19,463
Other debtors	140,205	67,578
Prepayments	25,500	20,157
	<u>173,394</u>	<u>107,198</u>

17 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	20	-	45,833
Other taxation and social security		17,418	7,342
Deferred income	19	34,374	57,883
Trade creditors		31,381	45,140
Other creditors		26,520	27,040
Accruals		52,262	74,897
		<u>161,955</u>	<u>258,135</u>

18 Creditors: amounts falling due after more than one year

	Notes	2023	2022
		£	£
Bank loans	20	-	204,167
		<u>-</u>	<u>204,167</u>

During the financial year, The Dukes Playhouse fully repaid the bank loan before any interest became due.

19 Deferred income

	2023	2022
	£	£
Arising from government grants	17,216	15,005
Relating to post year end productions	17,158	42,878
	<u>34,374</u>	<u>57,883</u>

The income in the above note has been deferred as it relates to box office productions which occurred after 31 March 2023 or grants with unfulfilled conditions at the year end.

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 Loans and overdrafts

	2023	2022
	£	£
Bank loans	-	250,000
	<u> </u>	<u> </u>
Payable within one year	-	45,833
Payable after one year	-	204,167
	<u> </u>	<u> </u>
Amounts included above which fall due after five years:		
Payable by instalments	-	4,166
	<u> </u>	<u> </u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Prime Time	-	-	-	-	-	23,000	(23,000)	-
Park equipment funding	58,763	-	(11,025)	(47,738)	-	-	-	-
Fixed asset restricted funds	4,231	-	(4,231)	-	-	-	-	-
Eat for Victory	-	-	-	-	-	5,000	(5,000)	-
Young Carers	-	1,645	(1,250)	-	395	8,355	(8,750)	-
Film Exhibition Fund	-	9,930	(9,930)	-	-	35,343	(33,400)	1,943
Rounding	(3)	-	-	-	(3)	3	-	-
	<u>62,991</u>	<u>11,575</u>	<u>(26,436)</u>	<u>(47,738)</u>	<u>392</u>	<u>71,701</u>	<u>(70,150)</u>	<u>1,943</u>

Park Equipment Funding represents grants received in respect of the upgrading of the equipment used for the park shows.

The fixed asset note to the accounts describes the purpose of the fixed asset restricted fund.

Young Carers represents grants received to operate an arts festival to benefit young carers.

The Film Exhibition Fund represents grants received to hold exhibitions of films including relevant speakers and presentations.

Prime Time represents grants to fund projects for people aged 65+ across Lancaster and Morecambe to explore creativity and social isolation.

Eat for Victory represents grants to fund a project exploring WWII with young people locally in partnership with Lancaster Museums.

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		Balance at 31 March 2023 £
	Balance at 1 April 2021 £	Movements to 31 March 2022 £	Balance at 1 April 2022 £	Movements to 31 March 2023 £	
Operating reserve	200,000	-	200,000	-	200,000
Capital programme	80,000	-	80,000	-	80,000
Artistic Programme Investment	30,000	-	30,000	-	30,000
Audience Development	20,000	-	20,000	-	20,000
Capacity Building	20,000	-	20,000	-	20,000
	<u>350,000</u>	<u>-</u>	<u>350,000</u>	<u>-</u>	<u>350,000</u>

Operating Reserves - £200,000

Removed from the general cash flow and designated as an operating reserve for use when approved by the Board. This is equal to 12 weeks of the Dukes pre COVID turnover.

Capital Programme - £80,000

In light of the Dukes ongoing capital needs and also its future ambitions that this reserve is established and the funds used only for major capital emergency needs (including purchasing of equipment vital to operation) and as match funding for any other major capital bids (including pre bid requirements).

Artistic Programme Investment - £30,000

This fund would be used for investment in artistic programme in the future that would return a level of financial capital back to the organisation. Examples could be further investment in digital programming, match funding for co-productions or to support the growth of the Dukes Home-grown productions.

Audience Development - £20,000

The Dukes faces an uncertain future with regards to audiences. This fund would be used to support audience development and marketing programmes outside the normal marketing budget with clear goals and milestones of delivery. These programmes would be focused on increasing audiences and investing in new marketing practices or training.

Capacity Building - £20,000

The Dukes capacity within the staff team is an ongoing challenge which would benefit at times from additional capacity on a short term basis however budgeting for this support is challenging within the current budget model. This fund would be used to fund additional capacity on short term basis particularly in areas of development such as fundraising, marketing and financial management.

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Tangible assets	37,415	-	37,415	56,351	56,351
Current assets/(liabilities)	611,666	-	611,666	781,557	781,949
Long term liabilities	-	-	-	(204,167)	(204,167)
	<u>649,081</u>	<u>-</u>	<u>649,081</u>	<u>392</u>	<u>634,133</u>

24 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	21,074	22,797
Between two and five years	-	574
	<u>21,074</u>	<u>23,371</u>

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	<u>66,548</u>	<u>55,428</u>

DUKES PLAY HOUSE LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

26	Cash generated from operations		2023	2022
			£	£
	Surplus for the year		14,948	105,917
	Adjustments for:			
	Investment income recognised in statement of financial activities		(2,902)	(80)
	(Gain)/loss on disposal of tangible fixed assets		-	18,787
	Depreciation and impairment of tangible fixed assets		18,936	31,353
	Movements in working capital:			
	(Increase) in stocks		(18)	(1,625)
	(Increase)/decrease in debtors		(66,196)	71,080
	(Decrease)/increase in creditors		(26,838)	42,486
	(Decrease)/increase in deferred income		(23,509)	17,098
	Cash (absorbed by)/generated from operations		(85,579)	285,016
27	Analysis of changes in net funds			
		At 1 April 2022	Cash flows	At 31 March 2023
		£	£	£
	Cash at bank and in hand	930,591	(332,677)	597,914
	Loans falling due within one year	(45,833)	45,833	-
	Loans falling due after more than one year	(204,167)	204,167	-
		<u>680,591</u>	<u>(82,677)</u>	<u>597,914</u>

THE DUKE'S PLAYHOUSE LIMITED

England & Wales - Charity number 501935

Accounts

Charity registration number 501935

Company registration number 01077517 (England and Wales)

THE DUKES PLAYHOUSE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE DUKES PLAYHOUSE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr. A J Hatton-Yeo MBE (Resigned as Chair 19 July 2022) N J Townsend R Gauld (Appointed Chair 19 July 2022) T J Booker Dr. A P Odon C B Tyrer D Rigby
Secretary	Ms K O'Neill
Charity number	501935
Company number	01077517
Principal address	The Dukes Moor Lane Lancaster United Kingdom LA1 1QE
Registered office	The Dukes Moor Lane Lancaster United Kingdom LA1 1QE
Auditor	Azets Audit Services Fleet House New Road Lancaster United Kingdom LA1 1EZ
Bankers	NatWest Bank 68 Church Street Lancaster United Kingdom LA1 1LN
Solicitors	Holdens 2 Castle Hill Lancaster United Kingdom LA1 1YR

THE DUKES PLAYHOUSE

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THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The committee of management, who are directors of the company and trustees of the charity, present their annual report on the affairs of the charity, together with the financial statements and auditors' report for the year ended 31 March 2022. This report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies' exemption.

Structure, governance, and management

The Dukes Playhouse Ltd is a company limited by guarantee incorporated under the Companies Act under company no. 01077517 and is governed by the Memorandum and Articles of Association dated 19th October 1972 as amended dated 21 January 1999, 6 September 2005, 7th November 2017, and 18th October 2018.

The company is also a registered charity, charity no.501935 and operates on a not-for-profit basis.

Its registered office is The Dukes Playhouse Ltd, Moor Lane, Lancaster, LA1 1QE. Its principal operating address is The Dukes, Moor Lane, Lancaster, LA1 1QE.

The company is governed by the Board of Trustees ("Board") as Directors of the company. Board members are appointed by the committee by simple majority. There are a maximum of 12 Trustees who may serve a maximum term of 4 years and then reappointment for 4 years. All are independently appointed members. Representatives of the major funders are invited to attend Board meetings.

The regular cycle of six formal meetings was maintained with an additional six subcommittee meetings to oversee Finance.

The Board is responsible for the overall policy and scrutiny of the financial performance of the organisation. The Board ensures the accountability to key funders and stakeholders and the appointment of the Director and pay and remuneration of the Director.

The day-to-day management of the company is delegated by the Board to the Director overseeing the senior management team of Finance Manager, Marketing and Communications Manager, Creative Communities Manager, Film Programme Manager, Technical and Premises Manager and Front of House Manager.

Review of the Year

Vision

The Dukes' Mission

To bring the best in live performance and cinema to the communities of Lancashire in our venue and other spaces.

To create and actively support the opportunities for communities, individuals, and artists to develop their own creative work and its delivery.

The Dukes' Vision

The Dukes creates and presents a diverse collection of storytelling through a range of art forms that delivers excellence, inspiration, and challenge.

The Dukes is a catalyst for communities, individuals, and artists to develop their own creativity and practice.

The Dukes is a place of cultural leadership and imaginative conversation.

THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Artistic and Audience Development

2021/22 has been a year in which the Dukes has begun to build back after the impact of the COVID lockdowns and limitations, continuing to place audiences and artists at the heart of all it does.

The Dukes took the decision to reopen the building and return with performances from May 21 with a remount of the 2020 planned Christmas production *Sleeping Beauty* that was cancelled due to a lockdown from Nov 21. This production was a great start to welcome back audiences in a social distanced way, support local artists who had invest time and effort in the original production and begin the Dukes 50th Anniversary year.

The 50th Anniversary Year from May 21 to August 22 celebrated with new work, events, artist commissions and community events. The Dukes want to use this anniversary to highlight all the work it does and celebrate creativity in our area. Some of the highlights were:

- We commissioned 5 local Lancashire based artists to create a short piece of work exploring 50 of the Dukes over the course of 6 months with additional support of space and time with the Dukes team. The commissions were presented to a sold-out audience in Nov 21 and two have gone on to be awarded further funding to develop.
- The Park Show returned after a 3 year break due to COVID and other challenges. Working with new and established team of creatives this Park show was scaled back due to the limitations of COVID working but gave us the chance to look at new ways of working in the Park. The show 'Grimm Tales' ran for 5 weeks and was financially positive for the Dukes and helped to reestablish the Park Show on the local cultural calendar. The show employed 16 creative freelancers and artists.
- We commissioned and produced a new play 'Belle & Mary,' a live radio play that looked at the infamous Buck Ruxton case with a focus on the stories of the women involved including those women who testified in the case leading to Ruxton's murder conviction. This local real-life story explored with developments in forensic science with expert advice from Dame Prof Sue Black. The production also consulted with members of the community and local historians to ensure a factual portrayal of events. Presented on our Anniversary weekend in Nov, all performances sold out with universal positive reviews.
- In Autumn we also commissioned a new Christmas production of 'Beauty and the Beast' in the Round, with schools and Christmas audiences returning for the first time in 2 years. The production popular and through our audience development work we welcome more schools than ever before. As part of the review of the show we have now decided to move out of the Round and into the Rake theatre to better meet demand. The production employed 20 freelance creative and artists.

We also continued with two seasons of live performance and developed our R&D offer for local artists, we developed new partnerships with local creatives and continued to ensure culture was key to the post pandemic recovery. We welcomed companies such as Protein Dance, Le Navet Bete, Northern BroadSides and Seabright. Our Moorspace programme continued to grow as did our programme for children and families with shows such as Shlomo's Beat Box Adventure and Josephine.

In 21/22 through our new live performance programme, we welcomed 27,062 people to live performance. The Dukes hosted 194 performances. We supported over 100 artists and creative professionals to continue to create, develop and present work either digitally or live in 21/22.

THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

As a core northern based independent cinema, the Dukes has a strategic and important place the film ecology of the UK. In 21/22 the Dukes has been working on new ways to present cinema, we have partnered with Lancaster BID to create a new outdoor headset cinema experience, Sun Cinema, taking place in the centre of town for a limited number of audiences. These screenings have been part welcoming people back to the city centre after the lockdowns.

We have continued to present our cinema programme In 21/22 we held 767 screenings to 18,189 audience members.

The Dukes is an audience focused organisation, making the arts and creativity available and accessible to all members of our community, and developing a diverse and highly engaged audience base. The Dukes achieves this through by synergising the strategies of long term committed community engagement and strategic marketing/communications, creating access points to move from participation to attendance to creation through special events, offers, and support for developing artists. The Dukes invests in assets, data management, engagement strategies and creative output.

The Dukes has a strong outreach & engagement programme through funding partnerships with Wellcome Trust, Lancaster University & others supporting multi-year creative engagement opportunities for many in Lancashire. The Dukes is at the forefront of developing sector leading creative engagement for those living with dementia & has a highly attended youth theatre. In 21/22 we remained committed to our work within the community a combination of online sessions and in person programmes to ensure that creative activity continued to thrive.

Online we worked with Loyne School to deliver weekly classes for vulnerable participants, and we worked with Thickskin to bring their latest online work Petrichor to 6 schools in the area. For artists and students, we continued our WideScreen Programme hosting online live conversations about film with industry experts and introduced our new programme Good Creator an online series of workshops and talks from live performance artists and professionals for artists and students looking to develop careers or expand their knowledge of the creative sector. These sessions had over 200 attendances from across the world.

Our Youth Theatre returned to in person sessions with over 100 young people taking part and bursaries awarded to those in need of extra support. We also undertook a review of the Youth Theatre working with an independent consultant who interviewed participants, parents/guardians, and tutors to look at ways to improve the experience post COVID. As a result, we have made several changes including renaming the session Young Company.

We continued our work with the GRT community through an online autobiographical theatre creation programme with young girls and women from the community mentored by Bryony Kimmings and supported a local creative practitioner. The girls were able to share their work online with an invited audience telling their own stories about life in lockdown.

Working with Lancaster University we launched a new programme of creative careers development for young people working across different themes including working with schools, project management and delivery and skill development. This new MAKE programme will reach over 50 young people a year and provide practical training and work-related experiences.

We also started two new programmes one working with Young Carers in the Lancaster and Morecambe area in partnership with Barnardo's and a new weekly drop-in session for refugee parents and toddlers to develop language skills through music and play.

The films, workshops and blogs can all be found on our website at <https://dukeslancaster.org/get-involved/projects>

In 21/22 across all programmes the Dukes had 1114 participants resulting in 4608 participations with 170 new participants.

THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Organisational Development

The Dukes has also worked extremely hard to maintain the organisation and ensure the future resilience of the Dukes after such a previous growth period of growth. The finance effects of COVID have been immense for the Dukes and their impact will continue for the next 12 months and the sector aims to return to with new ways of working in a COVID reality.

The impact of COVID on the Dukes has challenging and the recovery post lockdowns continues to push the organisation. The Dukes business model is heavily weighted to earned income (80% of turnover) and over the last 12 months we have been working steadily to grow back that income generation as funding resources reduced. We have worked strategically on audience development with a focus on audience experience and marketing and comms to support a strong artistic programme reflecting the quality of the Dukes. The Dukes continues to actively source all resources of additional income and support whilst reviewing and restricting all expenditure to ensure the organisation is lean and adaptable. .

The Dukes delivered new business plan and budget for 21/22 and has developed outline plans until 2026 which have been approved by the Board and consulted with the staff team. This plan will be under constant review.

The Dukes team is an experienced team supported by the Director and Board at a senior level to adapt as needed. The Director has significant background in cultural leadership with previous experience of financial turnaround, commercial operations, fundraising & organisational development. The Board has a range of skills, from charity operations, financial expertise, HR, legal & creative engagement. The Dukes has a system of robust financial monitoring with detailed financial reports, business modelling, cost control measures, reported monthly to a Finance & Audit Committee led by the Treasurer who is the CEO of a large producing theatre. The Director oversees all aspects of the organisation's financial viability, resilience & sustainability.

The year-end saw the organisation deliver a surplus through strong financial management in this period and the support of government funding and ACE Cultural Recovery funding. This enabled the Dukes to further stabilise and has proven to be invaluable with the impact of COVID.

The successes of the last year could not have been delivered without the energy and drive of the whole staff team. The Trustees are grateful for the dedication and commitment that underpins a year of high achievements.

The Dukes continues to be grateful for the assistance of volunteers. This work is vital to the Dukes and our volunteers also act as ambassadors for the theatre. We must also record our appreciation for the dedication of the Board and the Members who provide clear governance, support, and advocate for the Dukes.

The Dukes continues to have a positive relationship with Lancaster City Council and Arts Council England. The Trustees recognise the importance of the generous support from these two key stakeholders.

The Trustees recognise the risk of future cutbacks and the impact of COVID 19. The Trustees are working alongside Lancaster City Council to secure a lease for the Dukes and a new Service Level agreement for 22/23 has been secured. ACE have confirmed the NPO period will be extend to March 2023 with a new NPO funding round from 23-26. The Trustees alongside the executive will continue to focus on ways to mitigate the impact of COVID 19 and increase earned and contributed income.

THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The Year Ahead

The Dukes is looking forward to 22/23 with a renewed sense of focus and determination to move forward. The Dukes will continue to build upon the successes of the last few years and further embed its work within the local community and creative sector. The Dukes recognises that the next period will be challenging due to the impact of the COVID pandemic recovery and the cost-of-living crisis. The Dukes will be applying to the next ACE NPO funding round 23-26.

Trustee Induction and Training

All Trustees are given a complete welcome pack including information on the Organisational Plan, information of the Trust's work and achievements, copies of the Articles of Association, key organisational policies, Charity Commission - The Essential Trustee- What You Need To Know and a skill and contact audit. All Trustees are invited to meet the Director and have a tour of the building.

Risk Management

Board governance and decision-making is managed through several key documented processes which are reviewed by Board members and further scrutinised by the Finance and Audit Committee. These documents and processes including the Financial Authorities, Business Continuity Plan, Profit and Loss breakdown and bi monthly management accounts are tailored to the needs of the organisation and the risks it is exposed to. The Board adopted a full organisational risk assessment developed in house. This will be a live document that will be updated on 6 monthly basis. It should be noted that COVID has an individual risk register and monitoring process via the COVID Response Team. Additional ongoing process and actions to mitigate risk are detailed in the Organisational Plan. Monitoring and evaluation take place across the organisation to inform programme, project, and service development.

Investment powers

The Trustees have wide powers of investment

Reserves policy

The Trustees aspire to retain 12 weeks operating costs in reserve.

The trustees who served during the year and up to the date of signature of the financial statements were:

Dr. A J Hatton-Yeo MBE (Resigned as Chair 19 July 2022)

N J Townsend

R Gauld (Appointed Chair 19 July 2022)

T J Booker

Dr. A P Odon

C B Tyrer

D Rigby

M C Whitehead

(Resigned 22 May 2022)

M Thwaite

(Resigned 21 September 2021)

THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Statement of trustees' responsibilities

The trustees, who are also the directors of The Dukes Playhouse for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.



R Gauld (Appointed Chair 19 July 2022)
Chair

Date:21/11/22.....

THE DUKES PLAYHOUSE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE DUKES PLAYHOUSE

Opinion

We have audited the financial statements of The Dukes Playhouse (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 31 March 2022 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; 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 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

THE DUKES PLAYHOUSE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE DUKES PLAYHOUSE

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 directors' report included within the trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE DUKES PLAYHOUSE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE DUKES PLAYHOUSE

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- 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 bias and 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 indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 auditors' 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.

Azets Audit Services

Susanna Cassey (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

8 Dec '22

Chartered Accountants
Statutory Auditor

Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

THE DUKES PLAYHOUSE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations and legacies	3	372,903	-	372,903	538,748
Charitable activities	4	882,722	11,575	894,297	333,717
Other trading activities	5	119,773	-	119,773	2,548
Investments	6	80	-	80	95
Other income	7	83,999	-	83,999	161,149
Total income		1,459,477	11,575	1,471,052	1,036,257
Expenditure on:					
Raising funds	8	101,334	-	101,334	89,068
Charitable activities	9	1,178,341	15,411	1,193,752	728,504
Other expenditure	13	59,024	11,025	70,049	6,316
Total expenditure		1,338,699	26,436	1,365,135	823,888
Net incoming/(outgoing) resources before transfers		120,778	(14,861)	105,917	212,369
Gross transfers between funds		47,738	(47,738)	-	-
Net income/(expenditure) for the year/ Net movement in funds		168,516	(62,599)	105,917	212,369
Fund balances at 1 April 2021		465,225	62,991	528,216	315,847
Fund balances at 31 March 2022		633,741	392	634,133	528,216

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE DUKES PLAYHOUSE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Income and endowments from:</u>				
Donations and legacies	3	538,748	-	538,748
Charitable activities	4	311,250	22,467	333,717
Other trading activities	5	2,548	-	2,548
Investments	6	95	-	95
Other income	7	161,149	-	161,149
Total income		1,013,790	22,467	1,036,257
<u>Expenditure on:</u>				
Raising funds	8	89,068	-	89,068
Charitable activities	9	657,559	70,945	728,504
Other expenditure	13	6,316	-	6,316
Total expenditure		752,943	70,945	823,888
Net incoming/(outgoing) resources before transfers		260,847	(48,478)	212,369
Gross transfers between funds		14,007	(14,007)	-
Net income/(expenditure) for the year/ Net movement in funds		274,854	(62,485)	212,369
Fund balances at 1 April 2020		190,371	125,476	315,847
Fund balances at 31 March 2021		465,225	62,991	528,216

THE DUKES PLAYHOUSE

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	14		56,351		47,971
Current assets					
Stocks	15	2,295		670	
Debtors	16	107,198		189,303	
Cash at bank and in hand		930,591		442,989	
		<u>1,040,084</u>		<u>632,962</u>	
Creditors: amounts falling due within one year	17	<u>(258,135)</u>		<u>(152,717)</u>	
Net current assets			781,949		480,245
Total assets less current liabilities			838,300		528,216
Creditors: amounts falling due after more than one year	18		(204,167)		-
Net assets			<u>634,133</u>		<u>528,216</u>
Income funds					
Restricted funds	21		392		62,991
<u>Unrestricted funds</u>					
Designated funds:					
Operating reserve		200,000		200,000	
Other designated funds		150,000		150,000	
		<u>350,000</u>		<u>350,000</u>	
General unrestricted funds	22	283,741		115,225	
			<u>633,741</u>		<u>465,225</u>
			<u>634,133</u>		<u>528,216</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on ... 21/4/22



Mr Roderick Gauld

Company Registration No. 01077517

THE DUKES PLAYHOUSE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	26		285,016		191,968
Investing activities					
Purchase of tangible fixed assets		(47,494)		-	
Investment income received		80		95	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from investing activities			(47,414)		95
Financing activities					
Proceeds of new bank loans		250,000		-	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) financing activities			250,000		-
			<u> </u>		<u> </u>
Net increase in cash and cash equivalents			487,602		192,063
Cash and cash equivalents at beginning of year			442,989		250,926
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			930,591		442,989
			<u> </u>		<u> </u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The Dukes Playhouse Limited is a private charitable company limited by guarantee and is incorporated and domiciled in England and Wales. The address of the registered office is The Dukes, Moor Lane, Lancaster, LA1 1QE.

The nature of the its operations and its principle activities are detailed in the trustees report attached to these financial statements.

1.1 Accounting convention

The charity is a Public Benefit Entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements show net unrestricted income of £134,186 and unrestricted funds at the year end of £647,149. The trustees have prepared financial forecasts and budgets which incorporate the ACE funding to March 2026 and new service level agreement with Lancaster City Council and incorporate the COVID-19 considerations discussed in the trustees report which demonstrate the future viability of the charitable company and its ability to meet its debts as they fall due.

Therefore at the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income in respect of productions is recognised in the period in which the production occurs.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Income from Government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be reliably measured.

Income received in advance of a theatrical performance or provision of other specified service is deferred until the criteria for income recognition are met.

Other trading income is recognised on a receivable basis.

Investment income is recognised in the SoFA in the year in which it is receivable.

1.5 Expenditure

Expenditure is recognised once there is a constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be reliably measured. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs of trading of the bar and catering facilities.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to those activities and those of an indirect nature necessary to support them.

Other costs represent those items not falling into the categories above.

Support costs relate to those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's programmes and activities. These costs have been allocated between costs of raising funds and expenditure on charitable activities. Support costs are apportioned on an appropriate basis eg floor area, per capita or estimated usage.

1.6 Tangible fixed assets

Tangible fixed assets costing more than £1,000 are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

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

Leasehold improvements	term of lease
Fixtures and fittings	4-10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling. Cost is based on the cost of the purchase on a first in first out basis.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.12 Employee benefits

When employees have rendered services to the charity, short term employee benefits to which the employee is entitled are recognised at the amount expected to be paid for that service.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	64,896	88,483
Arts Council England	308,007	450,265
	<u>372,903</u>	<u>538,748</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities	Theatre		Independent cinema		Creative learning		Total 2022		Theatre		Independent cinema		Creative learning		Total 2021	
	2022	£	2022	£	2022	£	2022	£	2021	£	2021	£	2021	£	2021	£
Income from charitable activities	424,933		101,081		-		526,014		3,133		16,966		-		20,099	
Performance related grants	280,344		9,930		1,645		291,919		216,213		11,195		7,167		249,875	
Other income	45,345		-		31,019		76,364		2,419		-		61,324		63,743	
	<u>750,622</u>		<u>111,011</u>		<u>32,664</u>		<u>894,297</u>		<u>221,765</u>		<u>28,161</u>		<u>68,491</u>		<u>333,717</u>	
Analysis by fund																
Unrestricted funds	750,622		101,081		31,019		882,722		221,765		28,161		61,324		311,250	
Restricted funds	-		9,930		1,645		11,575		-		-		7,167		22,467	
	<u>750,622</u>		<u>111,011</u>		<u>32,664</u>		<u>894,297</u>		<u>221,765</u>		<u>28,161</u>		<u>68,491</u>		<u>333,717</u>	

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Fundraising events	56,410	-
Trading activity income: Bar and Catering	63,363	2,548
	<u>119,773</u>	<u>2,548</u>
Other trading activities	<u>119,773</u>	<u>2,548</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	80	95
	<u>80</u>	<u>95</u>

7 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Other income	16,211	-
Theatre tax credit	36,968	7,131
Coronavirus job retention scheme grant	30,820	154,018
	<u>83,999</u>	<u>161,149</u>
	<u>83,999</u>	<u>161,149</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Trading costs		
Other trading activities	27,493	2,002
Staff costs	40,666	63,182
Depreciation and impairment	558	558
Support costs	32,617	23,326
	<hr/>	<hr/>
Trading costs	101,334	89,068
	<hr/>	<hr/>
	101,334	89,068
	<hr/> <hr/>	<hr/> <hr/>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Charitable activities	Theatre		Independent cinema		Creative learning		Total 2022	Theatre		Independent cinema		Creative learning		Other projects		Total 2021
	2022	£	2022	£	2022	£	£	2021	£	2021	£	2021	£	2021	£	£
Staff costs	171,510		61,838		47,342		280,690	110,412		17,573		26,755				154,740
Depreciation and impairment	25,320		832		4,643		30,795	14,756		1,812		4,643				21,211
Production costs	67,948		-		-		67,948	22,879		-		-				22,879
Film hire and carriage	-		46,817		-		46,817	-		7,571		-				7,571
Other cinema costs	-		-		-		-	-		1,958		-				1,958
Marketing	29,360		10,802		-		40,162	27,620		2,272		-				29,892
Creative learning	-		-		53,464		53,464	-		-		30,615				30,615
Incoming tours	112,512		-		-		112,512	1,376		-		-				1,376
Other projects - Bring me Laughter	-		-		-		-	-		-		-		48,913		48,913
SRO Box Office costs	23,540		-		-		23,540	15,250		-		-		-		15,250
Other projects - Sunset screenings	-		-		-		-	-		-		-		6,787		6,787
Other	711		-		-		711	20,579		-		-		-		20,579
	430,901		120,289		105,449		656,639	212,872		31,186		62,013		55,700		361,771
Share of support costs (see note 10)	337,044		130,469		43,490		511,003	236,225		89,243		30,394		-		355,862
Share of governance costs (see note 10)	26,110		-		-		26,110	10,871		-		-		-		10,871
	794,055		250,758		148,939		1,193,752	459,968		120,429		92,407		55,700		728,504
Analysis by fund																
Unrestricted funds	789,824		240,828		147,689		1,178,341	451,043		120,429		79,300		6,787		657,559
Restricted funds	4,231		9,930		1,250		15,411	8,925		-		13,107		48,913		70,945
	794,055		250,758		148,939		1,193,752	459,968		120,429		92,407		55,700		728,504

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Support costs	Support Governance costs		2022 Support costs		Governance costs		2021		Basis of allocation
	£	£	£	£	£	£	£	£	
Staff costs	371,843	-	371,843	250,966	-	-	250,966	250,966	Staff time
Rent and rates	26,373	-	26,373	24,744	-	-	24,744	24,744	Usage
Heat and light	36,460	-	36,460	22,753	-	-	22,753	22,753	Usage
Cleaning	8,197	-	8,197	3,788	-	-	3,788	3,788	Staff time
Repairs and maintenance	11,081	-	11,081	10,964	-	-	10,964	10,964	Usage
Telephone	3,783	-	3,783	4,366	-	-	4,366	4,366	Usage
Insurance	15,654	-	15,654	17,533	-	-	17,533	17,533	Floor area
Stationery and computer	21,501	-	21,501	16,379	-	-	16,379	16,379	Usage
Licences and subscriptions	8,606	-	8,606	6,066	-	-	6,066	6,066	Usage
Staff recruitment and training	3,004	-	3,004	6,893	-	-	6,893	6,893	Usage
Office & sundry expenditure	37,118	-	37,118	14,736	-	-	14,736	14,736	Usage
Audit fees	-	8,050	8,050	-	7,963	-	7,963	7,963	Governance
Governance costs	-	18,060	18,060	-	2,908	-	2,908	2,908	Governance
	<u>543,620</u>	<u>26,110</u>	<u>569,730</u>	<u>379,188</u>	<u>10,871</u>	<u>10,871</u>	<u>390,059</u>	<u>390,059</u>	
Analysed between									
Trading	32,617	-	32,617	23,326	-	-	23,326	23,326	
Charitable activities	511,003	26,110	537,113	355,862	10,871	10,871	366,733	366,733	
	<u>543,620</u>	<u>26,110</u>	<u>569,730</u>	<u>379,188</u>	<u>10,871</u>	<u>10,871</u>	<u>390,059</u>	<u>390,059</u>	

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses from the charity during the year.

All trustees can receive two free tickets for the guest night performance of a Dukes theatre production.

12 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Technical - Full time	5	3
Front of house - Full time	2	3
Front of house - Part time	14	13
Administrative - Full time	6	5
Administrative - Part time	4	3
Creative communities - Full time	1	1
Creative communities - Part time	1	-
Total	<u>33</u>	<u>28</u>
Employment costs	2022	2021
	£	£
Wages and salaries	646,643	418,411
Social security costs	29,967	24,548
Other pension costs	16,589	25,929
	<u>693,199</u>	<u>468,888</u>

The average number of full time equivalent employees is 24 (2021: 20). This is calculated using half the number of part time staff.

There were no employees whose annual remuneration was more than £60,000.

13 Other expenditure

	Unrestricted funds £ 2022	Restricted funds £ 2022	Total £ 2022	Unrestricted funds £ 2021
Net loss on disposal of tangible fixed assets	7,762	11,025	18,787	-
Financing costs	13,759	-	13,759	6,316
Other expenditure	37,503	-	37,503	-
	<u>59,024</u>	<u>11,025</u>	<u>70,049</u>	<u>6,316</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

14 Tangible fixed assets

	Leasehold Improvements	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 April 2021	730,701	539,610	1,270,311
Additions	-	47,494	47,494
Disposals	-	(38,818)	(38,818)
At 31 March 2022	<u>730,701</u>	<u>548,286</u>	<u>1,278,987</u>
Depreciation and impairment			
At 1 April 2021	723,470	498,870	1,222,340
Depreciation charged in the year	7,231	24,121	31,352
Eliminated in respect of disposals	-	(31,056)	(31,056)
At 31 March 2022	<u>730,701</u>	<u>491,935</u>	<u>1,222,636</u>
Carrying amount			
At 31 March 2022	<u>-</u>	<u>56,351</u>	<u>56,351</u>
At 31 March 2021	<u>7,231</u>	<u>40,740</u>	<u>47,971</u>

Included in leasehold property improvements is conversion work carried out on a derelict church to create a Youth Arts Centre (DT3). The net book value of DT3 The Creative Learning Centre at the year end was £nil. The work originally undertaken amounted to £280,750 and was funded by a National Lottery grant of £194,750 from Arts Council England and a grant of £86,000 from Lancaster City Council. The Dukes Playhouse Limited, as part of its charitable aims, supports DT3 The Creative Learning Centre in its work in providing participation activities for local young people.

Included in leasehold property improvements is refurbishment work to the 'round' theatre. The net book value of the studio refurbishment at the year end was £nil. The work originally undertaken amounted to £380,583 and was funded by a grant of £260,383 from North West Development Agency and a grant of £99,100 from Arts Council England.

15 Stocks

	2022	2021
	£	£
Goods for sale and consumables	<u>2,295</u>	<u>670</u>

16 Debtors

Amounts falling due within one year:	2022	2021
	£	£
Trade debtors	19,463	56,594
Other debtors	67,578	71,193
Prepayments	20,157	61,516
	<u>107,198</u>	<u>189,303</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	19	45,833	-
Other taxation and social security		7,342	5,660
Deferred income	20	57,883	40,785
Trade creditors		45,140	35,991
Other creditors		27,040	44,000
Accruals		74,897	26,281
		<u>258,135</u>	<u>152,717</u>

18 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	19	<u>204,167</u>	<u>-</u>

After the year end date The Duke's Playhouse fully repaid the bank loan before any interest became due.

19 Loans and overdrafts

	2022 £	2021 £
Bank loans	<u>250,000</u>	<u>-</u>
Payable within one year	45,833	-
Payable after one year	<u>204,167</u>	<u>-</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>4,166</u>	<u>-</u>

20 Deferred income

	2022 £	2021 £
Arising from government grants	15,005	5,958
Relating to post year end productions	<u>42,878</u>	<u>34,827</u>
	<u>57,883</u>	<u>40,785</u>

The income in the above note has been deferred as it relates to box office productions which occurred after 31 March 2022 or grants with unfulfilled conditions at the year end.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020		Movement in funds		Balance at 1 April 2021		Movement in funds		Balance at 31 March 2022	
	£	£	Incoming resources	Resources expended	Transfers	£	Incoming resources	Resources expended	Transfers	£
Tamasha	-	8,280	-	-	(8,280)	-	-	-	-	-
Bring me Laughter	53,557	-	-	(48,913)	(4,644)	-	-	-	-	-
Creative learning	-	7,167	-	(6,087)	(1,080)	-	-	-	-	-
Park equipment funding	58,763	-	-	-	-	58,763	-	(11,025)	(47,738)	-
Fixed asset restricted funds	13,156	-	-	(8,925)	-	4,231	-	(4,231)	-	-
Welcome Trust	-	7,020	-	(7,020)	-	-	-	-	-	-
Young Carers	-	-	-	-	-	-	1,645	(1,250)	-	395
Film Exhibition Fund	-	-	-	-	-	-	9,930	(9,930)	-	-
Rounding	-	-	-	-	(3)	(3)	-	-	-	(3)
	<u>125,476</u>	<u>22,467</u>	<u>22,467</u>	<u>(70,945)</u>	<u>(14,007)</u>	<u>62,991</u>	<u>11,575</u>	<u>(26,436)</u>	<u>(47,738)</u>	<u>392</u>

Tamasha represents grants received and expenditure made in respect of a joint project to deliver the Sustained Theatre Programme. The transfer from unrestricted funds was to close the fund on completion of the project.

Bring Me Laughter represents grants received in respect of a project to give hundreds of people with dementia a better quality of life.

Creative Learning represents grants received in respect of the Centre for Creative Learning.

Park Equipment Funding represents grants received in respect of the upgrading of the equipment used for the park shows.

The fixed asset note to the accounts describes the purpose of the fixed asset restricted fund.

Young Carers represents grants received to operate an arts festival to benefit young carers.

The Film Exhibition Fund represents grants received to hold exhibitions of films including relevant speakers and presentations.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Transfers 31 March 2021	Balance at 1 April 2021	Movement in funds	Balance at 31 March 2022
	£	£	£	£
Operating reserve	200,000	200,000	-	200,000
Capital programme	80,000	80,000	-	80,000
Artistic Programme Investment	30,000	30,000	-	30,000
Audience Development	20,000	20,000	-	20,000
Capacity Building	20,000	20,000	-	20,000
	<u>350,000</u>	<u>350,000</u>	<u>-</u>	<u>350,000</u>

Operating Reserves - £200,000

Removed from the general cash flow and designated as an operating reserve for use when approved by the Board. This is equal to 12 weeks of the Dukes pre COVID turnover.

Capital Programme - £80,000

In light of the Dukes ongoing capital needs and also its future ambitions that this reserve is established and the funds used only for major capital emergency needs (including purchasing of equipment vital to operation) and as match funding for any other major capital bids (including pre bid requirements).

Artistic Programme Investment - £30,000

This fund would be used for investment in artistic programme in the future that would return a level of financial capital back to the organisation. Examples could be further investment in digital programming, match funding for co-productions or to support the growth of the Dukes Home-grown productions.

Audience Development - £20,000

The Dukes faces an uncertain future with regards to audiences. This fund would be used to support audience development and marketing programmes outside the normal marketing budget with clear goals and milestones of delivery. These programmes would be focused on increasing audiences and investing in new marketing practices or training.

Capacity Building - £20,000

The Dukes capacity within the staff team is an ongoing challenge which would benefit at times from additional capacity on a short term basis however budgeting for this support is challenging within the current budget model. This fund would be used to fund additional capacity on short term basis particularly in areas of development such as fundraising, marketing and financial management.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

23 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	56,351	-	56,351	43,740	4,231	47,971
Current assets/(liabilities)	781,557	392	781,949	414,465	65,780	480,245
Long term liabilities	(204,167)	-	(204,167)	-	-	-
	<u>633,741</u>	<u>392</u>	<u>634,133</u>	<u>458,205</u>	<u>70,011</u>	<u>528,216</u>

24 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	22,797	18,797
Between two and five years	574	2,871
	<u>23,371</u>	<u>21,668</u>

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>55,428</u>	<u>48,500</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

26	Cash generated from operations		2022	2021
			£	£
	Surplus for the year		105,917	212,369
	Adjustments for:			
	Investment income recognised in statement of financial activities		(80)	(95)
	Loss on disposal of tangible fixed assets		18,787	-
	Depreciation and impairment of tangible fixed assets		31,353	21,769
	Movements in working capital:			
	(Increase)/decrease in stocks		(1,625)	1,330
	Decrease/(increase) in debtors		71,080	(73,270)
	Increase in creditors		42,486	26,692
	Increase in deferred income		17,098	3,173
	Cash generated from operations		285,016	191,968
27	Analysis of changes in net funds			
		At 1 April 2021	Cash flows	At 31 March 2022
		£	£	£
	Cash at bank and in hand	442,989	487,602	930,591
	Loans falling due within one year	-	(45,833)	(45,833)
	Loans falling due after more than one year	-	(204,167)	(204,167)
		<u>442,989</u>	<u>237,602</u>	<u>680,591</u>

THE DUKE'S PLAYHOUSE LIMITED

England & Wales - Charity number 501935

Accounts

Charity Registration No. 501935

Company Registration No. 01077517 (England and Wales)

THE DUKES PLAYHOUSE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE DUKES PLAYHOUSE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr A Hatton-Yeo MBE - Chair N J Townsend - Vice Chair R Gauld - Treasurer T J Booker Dr A P Odon C B A Tyrer M Thwaite D Rigby M C Whitehead	(Appointed 7 July 2020)
Secretary	T Fisher	
Charity number	501935	
Company number	01077517	
Principal address	The Dukes Moor Lane Lancaster United Kingdom LA1 1QE	
Registered office	The Dukes Moor Lane Lancaster United Kingdom LA1 1QE	
Auditor	Azets Audit Services Fleet House New Road Lancaster United Kingdom LA1 1EZ	
Bankers	NatWest Bank 68 Church Street Lancaster United Kingdom LA1 1LN	
Solicitors	Holdens 2 Castle Hill Lancaster United Kingdom LA1 1YR	

THE DUKES PLAYHOUSE

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THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The committee of management, who are directors of the company and trustees of the charity, present their annual report on the affairs of the charity, together with the financial statements and auditors' report for the year ended 31 March 2021. This report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies' exemption.

Structure, governance, and management

The Dukes Playhouse Ltd is a company limited by guarantee incorporated under the Companies Act under company no. 1077517 and is governed by the Memorandum and Articles of Association dated 19th October 1972 as amended dated 21 January 1999, 6 September 2005, 7th November 2017, and 18th October 2018.

The company is also a registered charity, charity no.501935 and operates on a not-for-profit basis.

Its registered office is The Dukes Playhouse Ltd, Moor Lane, Lancaster, LA1 1QE. Its principal operating address is The Dukes, Moor Lane, Lancaster, LA1 1QE.

The company is governed by the Board of Trustees ("Board") as Directors of the company. Board members are appointed by the committee by simple majority. There are a maximum of 12 Trustees who may serve a maximum term of 4 years and then reappointment for 4 years. All are independently appointed members. Representatives of the major funders are invited to attend Board meetings.

The regular cycle of six formal meetings was maintained with an additional six subcommittee meetings to oversee Finance.

The Board is responsible for the overall policy and scrutiny of the financial performance of the organisation. The Board ensures the accountability to key funders and stakeholders and the appointment of the Director and pay and remuneration of the Director.

The day-to-day management of the company is delegated by the Board to the Director overseeing the senior management team of Finance Manager, Marketing and Communications Manager, Creative Communities Manager, Film Programme Manager, Technical and Premises Manager and Front of House Manager.

Review of the Year

Vision

The Dukes' Mission

To bring the best in live performance and cinema to the communities of Lancashire in our venue and other spaces.

To create and actively support the opportunities for communities, individuals, and artists to develop their own creative work and its delivery.

The Dukes' Vision

The Dukes creates and presents a diverse collection of storytelling through a range of art forms that delivers excellence, inspiration, and challenge.

The Dukes is a catalyst for communities, individuals, and artists to develop their own creativity and practice.

The Dukes is a place of cultural leadership and imaginative conversation.

THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Artistic and Audience Development

2020/21 has been a challenging year for the Dukes as the COVID-19 pandemic continued to bring national lockdowns and limitations on the delivery of the organisation. However, the Dukes has continued to put artists and audiences at its heart.

The Dukes has looked to meet the challenges of COVID straight on and has been proactive during 20/21 to continue to support our community, engage with our audiences and participants and create opportunities for local creative professionals.

Within days of the initial lockdown, we had launched the Digital Dukes our online home during the closure period. The Dukes commissioned artists, created masterclasses, created weekly newsletters for cinema and our participation programmes, and created ways for our community to be creative during lockdown. The impact and response to this was very positive, from 17 March 20 (closure announcement) to March 2021.

- Total number of page views during this time across the whole site **206,331**
- Total number of emails opened/ engaged with: **63,421**
- Total number of views on videos published (including Digital Dukes, Creative Commissions, announcements etc. across Facebook and YouTube): **49,323**

The Dukes commissioned 10 local artists to create free online digital content for our Digital Dukes programme featuring cross art form work including mini movie scripts, visual arts, writing workshops and shadow puppetry films. Our creative commissions have been viewed over 10,000 times with positive feedback from local communities.

We have also created theatre to stream at home with *Ladies that Bus* and *I Was a Wife* with over 200 purchased downloads of these watch at home theatre experiences.

We have also co produced an at home theatrical live performance experience *Charlotte Holmes* with The Big Tiny Theatre and Lawrence Batley Theatre. This at home adventure box is full of clues and items to help young sleuths explore mysteries with Charlotte. With online resources and activities this new venture has received positive reviews from audiences, sold internationally and had many positive press reviews. Including the Guardian and was featured in the New York Times

In Oct we partnered with *Imitating the Dog* and Lancaster Arts to present outdoor performances of 'Dr Blood' on the University campus. The production had 6 performances with a sold out social distanced audience of 140.

We also presented two live socially distanced performances in Autumn 2020 '*Ugg and Ogg*' and '*Ladies that Bus*' in our newly reformatted Moorspace venue. Both productions sold out to social distanced audiences.

In Autumn 2021 we commissioned a scale down Christmas production of *Sleeping Beauty* employing 22 freelance artists and creating a pre-show animation and online programme. This production was due to run through December 2020 however due to the restrictions we were unable to open, however we have moved this production to May 2021 and will reopen the Dukes in 2021.

Instead, the Dukes offered a digital festive offer of the '*Snow Queen and T'was the Night Before Christmas* by Lancaster based theatre company *Three Left Feet*. These productions were commissioned by the Dukes and supported by ACE project grant. *Snow Queen* was also screened by venues in Worcestershire and Penrith.

For Valentine's Day this year we got in touch with all the organisations that make up Lancaster Arts Partners to pay homage to the Arts with our very own love song.

Composed by Helen Longworth and performed by Helen and Amy Rhiannon Worth (featuring a cameo from Amy Chandler), '*Lights*' features video clips and images from projects before and during lockdown. The song recently made its radio debut on Nova FM in Newport. The film has had over 200 views.

The Dukes also commissioned a new streaming channel embedded in the Dukes Website with full operating for online events and performances to be screened direct. The platform can process independent payments from the Dukes ticketing system and communicate with bookers direct by email. We have offered the use of this platform to other local organisations who wish to stream content to audiences.

THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

In 20/21 despite the lockdowns, we welcomed 382 people to live performance. The Dukes hosted 3 different productions resulting in 12 performances. Our digital programme created 46 online theatre related experiences that were enjoyed by audiences of over 49,000 locally, regionally, nationally, and internationally. We supported over 60 artists and creative professionals to continue to create, develop and present work either digitally or live in 20/21.

As a core northern based independent cinema, the Dukes has a strategic and important place the film ecology of the UK. In 20/21 the Dukes has partnered with several film studios and artists to present exclusive at home cinema and live performance opportunities for our audiences to experience work at home during the lockdown period including Mark Thomas, Johnny and the Baptistes, Modern Film Entertainment and Cheltenham Film Festival. And recently we have created a partnership with Your Screen to bring the best in world cinema to audiences at home.

When cinemas were allowed to reopen the Dukes focused on a socially distance live cinema offer with additional capacity created by converting the Round into a social distanced boutique cinema space. In 20/21 we screened 69 different titles with 439 screenings to 3415 audience members.

The Dukes is an audience focused organisation, making the arts and creativity available and accessible to all members of our community, and developing a diverse and highly engaged audience base. The Dukes achieves this through by synergising the strategies of long term committed community engagement and strategic marketing/communications, creating access points to move from participation to attendance to creation through special events, offers, and support for developing artists. The Dukes invests in assets, data management, engagement strategies and creative output.

The Dukes has a strong outreach & engagement programme through funding partnerships with Wellcome Trust, Lancaster University & others supporting multi-year creative engagement opportunities for many in Lancashire. The Dukes is at the forefront of developing sector leading creative engagement for those living with dementia & has a highly attended youth theatre. In 20/21 we remained committed to our work within the community and introduced online sessions and programmes to ensure that creative activity continued during this challenging period.

Our Bring Me Laughter programme working with those living with dementia moved online from Sept 20. The programme had online sessions with artists, pre-recorded workshops, and telephone check ins. In Feb 21 we hosted a 5-day online festival for the programme that featured hosted talks, workshops, creative products, and discussions. Featuring artists from across the Lancaster and Morecambe district this event was attended by over 300 people including international audiences. This festival was the finale of the Bring Me Laughter programme at the Dukes. As part of the festival, we launched our Carer's Manual, a guide to creating creative interactions and workshops for those living with dementia to enhance their memory and activity. 200 copies of the Manual were produced and sent to care homes, residential care, GP's, groups and individuals across Lancaster and Morecambe for free. A download copy of the Manual is also available free on our website.

We relaunched our Schools Festival. Zoom workshops were put in place led by theatre company *The Knotted Project* throughout November and December with the following priority area schools:

- Morecambe Bay Primary
- Ryelands Primary School
- Bowerham Primary
- Nether Kellet Community Primary

The programme included weekly check-ins, CPD and teacher work-plans. In Jan we launched our Alice in Wonderland Home Learning resource pack commissioned as part of the school's festival. It includes work sheets and videos, focussing on the six virtual sessions on the theme of Alice in Wonderland. The toolkit has been designed specifically for home learning, with short 15-minute tasks that can be completed by students at home or as part of a remote lesson.

THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Our Youth Theatre have continued to work remotely online, and we welcomed them back in person in April 2021. In 20/21 Youth Theatre achieved 79 Sessions with 160 participations.

We continued our work with the GRT community through an online autobiographical theatre creation programme with young girls and women from the community mentored by Bryony Kimmings and supported by reality star Amy Hart. The girls were able to share their work online with an invited audience telling their own stories about life in lockdown.

We have also secured funding for a new film participatory programme. Speak Up supported by a private donor worked with 10 young people to make films on the theme of protest with site specific theatre/digital theatre company Dante or Die showcasing the concerns and talents of local young people and the film produced debuted on You tube in March 2021.

The films, workshops and blogs can all be found on our website at <https://dukeslancaster.org/get-involved/projects>

We have delivered English and drama lessons via Zoom for Syrian Refugees in association with *the Salvation Army* in Fleetwood: supporting adults through friendly and inclusive learning opportunities and working with people to support and equip them with the transferable skills they need to achieve their goals.

In 20/21 across all programmes the Dukes had 1392 participants resulting in 3946 participations.

THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Organisational Development

The Dukes has also worked extremely hard to maintain the organisation and ensure the future resilience of the Dukes after such a previous growth period of growth. The finance effects of COVID have been immense for the Dukes and their impact will continue for the next 12 months and the sector aims to return to with new ways of working in a COVID reality.

The impact of COVID has been divesting for the Dukes with the complete closure of all activities in March 2020. The Dukes business model is heavily weighted to earned income (80% of turnover). COVID-19 has caused a decimation of income sources and a forced scaling back of all but essential expenditure. The Dukes has actively sourced all resources of additional income and support whilst reviewing and restricting all expenditure to ensure the survival of the organisation.

The Dukes formed a COVID Response team from across the organisation and Board to facilitate and support our reopening from July 20. This group worked to ensure the Dukes is a COVID secure organisation that delivers cultural activity to the community in a safe and proactive manner. We have developed a suite of documentation, comms, risk assessments and physical changes to the building to support our team, volunteers, and audiences to return to the Dukes. We have also been award the See It Safely Award and Visit Britain Good to Go award for our COVID safe working and systems. The COVID response group will continue to work throughout 2021/22.

The Dukes completed a new business plan and budget for 21/22 which has been approved by the Board and consulted with the staff team. This business plan considers the transition year from restrictions to a more positive autumn will the majority of activity post June 2021. This plan will be under constant review.

The Dukes team is an experienced team supported by the Director and Board at a senior level to adapt as needed. The Director has significant background in cultural leadership with previous experience of financial turnaround, commercial operations, fundraising & organisational development. The Board has a range of skills, from charity operations, financial expertise, HR, legal & creative engagement. The Dukes has a system of robust financial monitoring with detailed financial reports, business modelling, cost control measures, reported monthly to a Finance & Audit Committee led by the Treasurer who is the CEO of a large producing theatre. The Director oversees all aspects of the organisation's financial viability, resilience & sustainability.

The year-end saw the organisation deliver a surplus through strong financial management in this period and the support of government funding and ACE Cultural Recovery funding. This enabled the Dukes to further stabilise and has proven to be invaluable with the impact of COVID.

The successes of the last year could not have been delivered without the energy and drive of the whole staff team. The Trustees are grateful for the dedication and commitment that underpins a year of high achievements.

The Dukes continues to be grateful for the assistance of volunteers. This work is vital to the Dukes and our volunteers also act as ambassadors for the theatre. We must also record our appreciation for the dedication of the Board and the Members who provide clear governance, support, and advocate for the Dukes.

The Dukes continues to have a positive relationship with Lancaster City Council and Arts Council England. The Trustees recognise the importance of the generous support from these two key stakeholders.

The Trustees recognise the risk of future cutbacks and the impact of COVID 19. The Trustees are working alongside Lancaster City Council to secure a lease for the Dukes and a new Service Level agreement for 21/22 has been secured. ACE have confirmed the NPO period will be extend to March 2023 with a new business plan due for submission in Sept 21. The Trustees alongside the executive will continue to focus on ways to mitigate the impact of COVID 19 and increase earned and contributed income.

THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

The Year Ahead

The Dukes is looking forward to 21/22 with a renewed sense of focus and determination to move forward. The Dukes will be presenting a packed Autumn Season as it launches its 50th Anniversary Year! To celebrate this special year the Dukes will be commissioning new work featuring stories from Lancaster, supporting artists and creative professionals throughout the Lancashire district, and launching a new programme of creative engagement work with communities across the district.

Trustee Induction and Training

All Trustees are given a complete welcome pack including information on the Organisational Plan, information of the Trust's work and achievements, copies of the Articles of Association, key organisational policies, Charity Commission - The Essential Trustee- What You Need To Know and a skills and contact audit. All Trustees are invited to meet the Director and have a tour of the building.

Risk Management

Board governance and decision-making is managed through several key documented processes which are reviewed by Board members and further scrutinised by the Finance and Audit Committee. These documents and processes including the Financial Authorities, Business Continuity Plan, Profit and Loss breakdown and bi monthly management accounts are tailored to the needs of the organisation and the risks it is exposed to. The Board adopted a full organisational risk assessment developed in house. This will be a live document that will be updated on a 6 monthly basis. It should be noted that COVID has an individual risk register and monitoring process via the COVID Response Team. Additional ongoing process and actions to mitigate risk are detailed in the Organisational Plan. Monitoring and evaluation takes place across the organisation to inform programme, project and service development.

Investment powers

The Trustees have wide powers of investment

Reserves policy

The Trustees aspire to retain 12 weeks operating costs in reserve.

Trustees serving during the year

Dr A Hatton-Yeo MBE - Chair

N J Townsend - Vice Chair

R Gauld - Treasurer

T J Booker

Dr A P Odon

C B A Tyrer

M Thwaite

D Rigby

M C Whitehead

(Appointed 7 July 2020)

THE DUKES PLAYHOUSE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Statement of trustees' responsibilities

The trustees, who are also the directors of The Dukes Playhouse for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

DocuSigned by:

Dr Alan Hatton-Yeo MBE

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Dr A Hatton-Yeo MBE - Chair

Chair 29/11/2021

Dated:

THE DUKES PLAYHOUSE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE DUKES PLAYHOUSE

Opinion

We have audited the financial statements of The Dukes Playhouse (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting 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 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; 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 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

THE DUKES PLAYHOUSE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE DUKES PLAYHOUSE

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 directors' report included within the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE DUKES PLAYHOUSE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE DUKES PLAYHOUSE

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- 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 bias and 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 indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 auditors' 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.

Azets Audit Services

Susanna Cassey (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

3 Dec '21

Chartered Accountants
Statutory Auditor

Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

THE DUKES PLAYHOUSE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Current financial year					
	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>					
Donations and legacies	3	538,748	-	538,748	396,449
Charitable activities	4	311,250	22,467	333,717	999,806
Other trading activities	5	2,548	-	2,548	152,143
Investments	6	95	-	95	378
Other income	7	161,149	-	161,149	16,154
Total income		1,013,790	22,467	1,036,257	1,564,930
<u>Expenditure on:</u>					
Raising funds	8	89,068	-	89,068	161,665
Charitable activities	9	657,559	70,945	728,504	1,239,508
Other	13	6,316	-	6,316	17,479
Total resources expended		752,943	70,945	823,888	1,418,652
Net incoming/(outgoing) resources before transfers		260,847	(48,478)	212,369	146,278
Gross transfers between funds		14,007	(14,007)	-	-
Net income/(expenditure) for the year/ Net movement in funds		274,854	(62,485)	212,369	146,278
Fund balances at 1 April 2020		190,371	125,476	315,847	169,569
Fund balances at 31 March 2021		465,225	62,991	528,216	315,847

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE DUKES PLAYHOUSE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year		Unrestricted funds	Restricted funds	Total
		2020	2020	2020
		£	£	£
	Notes			
<u>Income and endowments from:</u>				
Donations and legacies	3	396,449	-	396,449
Charitable activities	4	918,423	81,383	999,806
Other trading activities	5	152,143	-	152,143
Investments	6	378	-	378
Other income	7	16,154	-	16,154
Total income		1,483,547	81,383	1,564,930
<u>Expenditure on:</u>				
Raising funds	8	161,665	-	161,665
Charitable activities	9	1,157,626	81,882	1,239,508
Other	13	17,479	-	17,479
Total resources expended		1,336,770	81,882	1,418,652
Net incoming/(outgoing) resources before transfers		146,777	(499)	146,278
Gross transfers between funds		(4,096)	4,096	-
Net income/(expenditure) for the year/ Net movement in funds		142,681	3,597	146,278
Fund balances at 1 April 2019		47,690	121,879	169,569
Fund balances at 31 March 2020		190,371	125,476	315,847

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE DUKES PLAYHOUSE

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	14		47,971		69,741
Current assets					
Stocks	15	670		2,000	
Debtors	16	189,303		116,033	
Cash at bank and in hand		442,989		250,926	
		<u>632,962</u>		<u>368,959</u>	
Creditors: amounts falling due within one year	17	<u>(152,717)</u>		<u>(122,853)</u>	
Net current assets			480,245		246,106
Total assets less current liabilities			<u>528,216</u>		<u>315,847</u>
Income funds					
Restricted funds	20		62,991		125,476
<u>Unrestricted funds</u>					
Designated funds:					
Operating reserve		200,000		-	
Other designated funds		150,000		-	
	21	<u>350,000</u>		<u>-</u>	
General unrestricted funds		115,225		190,371	
			465,225		190,371
			<u>528,216</u>		<u>315,847</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

29/11/2021

The financial statements were approved by the Trustees on

DocuSigned by:

Dr Alan Hatton-Yeo MBE

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Dr Alan Hatton-Yeo MBE

Company Registration No. 01077517

THE DUKES PLAYHOUSE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	25		191,968		39,519
Investing activities					
Investment income received		95		378	
Net cash generated from investing activities			95		378
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			192,063		39,897
Cash and cash equivalents at beginning of year			250,926		211,029
Cash and cash equivalents at end of year			<u>442,989</u>		<u>250,926</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The Dukes Playhouse Limited is a private charitable company limited by guarantee and is incorporated and domiciled in England and Wales. The address of the registered office is The Dukes, Moor Lane, Lancaster, LA1 1QE.

The nature of the its operations and its principle activities are detailed in the trustees report attached to these financial statements.

1.1 Accounting convention

The charity is a Public Benefit Entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements show net unrestricted income of £275k and unrestricted funds at the year end of £465k. The trustees have prepared financial forecasts and budgets which incorporate the lower level of re-profiled ACE grant income and incorporate the COVID-19 considerations discussed in the trustees report which demonstrate the future viability of the charitable company and its ability to meet its debts as they fall due.

Therefore at the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income in respect of productions is recognised in the period in which the production occurs.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from Government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be reliably measured.

Income received in advance of a theatrical performance or provision of other specified service is deferred until the criteria for income recognition are met.

Other trading income is recognised on a receivable basis.

Investment income is recognised in the SoFA in the year in which it is receivable.

1.5 Expenditure

Expenditure is recognised once there is a constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be reliably measured. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs of trading of the bar and catering facilities.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to those activities and those of an indirect nature necessary to support them.

Other costs represent those items not falling into the categories above.

Support costs relate to those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's programmes and activities. These costs have been allocated between costs of raising funds and expenditure on charitable activities. Support costs are apportioned on an appropriate basis eg floor area, per capita or estimated usage.

1.6 Tangible fixed assets

Tangible fixed assets costing more than £1,000 are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

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

Leasehold improvements	term of lease
Fixtures and fittings	4-10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling. Cost is based on the cost of the purchase on a first in first out basis.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

1.12 Employee benefits

When employees have rendered services to the charity, short term employee benefits to which the employee is entitled are recognised at the amount expected to be paid for that service.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	88,483	85,655
Arts Council England	450,265	310,794
	<u>538,748</u>	<u>396,449</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	Theatre 2021 £	Independent cinema 2021 £	Creative learning 2021 £	Other projects 2021 £	Total 2021 £	Total 2020 £
Income from charitable activities	3,133	16,966	-	-	20,099	686,382
Services provided under contract	-	-	-	-	-	9,500
Performance related grants	216,213	11,195	7,167	15,300	249,875	186,834
Other income	2,419	-	61,324	-	63,743	117,090
	<u>221,765</u>	<u>28,161</u>	<u>68,491</u>	<u>15,300</u>	<u>333,717</u>	<u>999,806</u>
Analysis by fund						
Unrestricted funds	221,765	28,161	61,324	-	311,250	918,423
Restricted funds	-	-	7,167	15,300	22,467	81,383
	<u>221,765</u>	<u>28,161</u>	<u>68,491</u>	<u>15,300</u>	<u>333,717</u>	<u>999,806</u>

For the year ended 31 March 2020

	Theatre £	Independent cinema £	Creative learning £	Other projects £	Total 2020 £
Income from charitable activities	409,028	230,637	-	46,717	686,382
Services provided under contract	-	-	-	9,500	9,500
Performance related grants	163,000	13,714	-	10,120	186,834
Other income	-	-	117,090	-	117,090
	<u>572,028</u>	<u>244,351</u>	<u>117,090</u>	<u>66,337</u>	<u>999,806</u>
Analysis by fund					
Unrestricted funds	500,765	244,351	117,090	56,217	918,423
Restricted funds	71,263	-	-	10,120	81,383
	<u>572,028</u>	<u>244,351</u>	<u>117,090</u>	<u>66,337</u>	<u>999,806</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Trading activity income: Bar and Catering	2,548	152,143
	<u>2,548</u>	<u>152,143</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	95	378
	<u>95</u>	<u>378</u>

7 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Theatre tax credit	7,131	16,154
Coronavirus job retention scheme grant	154,018	-
	<u>161,149</u>	<u>16,154</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	-	1,932
	<hr/>	<hr/>
<u>Trading costs</u>		
Other trading activities	2,002	62,149
Staff costs	63,182	70,007
Depreciation and impairment	558	-
Support costs	23,326	27,577
	<hr/>	<hr/>
Trading costs	89,068	159,733
	<hr/>	<hr/>
	89,068	161,665
	<hr/> <hr/>	<hr/> <hr/>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Charitable activities

	Theatre	Independent	Creative	Other	Total	Total
	2021	cinema	learning	projects	2021	2020
	£	£	£	£	£	£
Staff costs	110,412	17,573	26,755	-	154,740	280,907
Depreciation and impairment	14,756	1,812	4,643	-	21,211	23,499
Production costs	22,879	-	-	-	22,879	37,054
Film hire and carriage	-	7,571	-	-	7,571	100,528
Other cinema costs	-	1,958	-	-	1,958	11,743
Marketing	27,620	2,272	-	-	29,892	54,581
Creative learning	-	-	30,615	-	30,615	23,862
Incoming tours	1,376	-	-	-	1,376	97,011
Other expenses	-	-	-	-	-	2,288
Other projects - Tamasha	-	-	-	-	-	4,726
Other projects - Bring me Laughter	-	-	-	48,913	48,913	42,229
Cinema project costs	-	-	-	-	-	14,422
SRO Box Office costs	15,250	-	-	-	15,250	11,116
Other projects - Sunset screenings	-	-	-	6,787	6,787	33,264
Other	20,579	-	-	-	20,579	2
	<u>212,872</u>	<u>31,186</u>	<u>62,013</u>	<u>55,700</u>	<u>361,771</u>	<u>737,232</u>
Share of support costs (see note 10)	236,225	89,243	30,394	-	355,862	410,403
Share of governance costs (see note 10)	10,871	-	-	-	10,871	91,873
	<u>459,968</u>	<u>120,429</u>	<u>92,407</u>	<u>55,700</u>	<u>728,504</u>	<u>1,239,508</u>
Analysis by fund						
Unrestricted funds	451,043	120,429	79,300	6,787	657,559	1,157,626
Restricted funds	8,925	-	13,107	48,913	70,945	81,882
	<u>459,968</u>	<u>120,429</u>	<u>92,407</u>	<u>55,700</u>	<u>728,504</u>	<u>1,239,508</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Charitable activities (Continued)

For the year ended 31 March 2020

	Theatre £	Independent cinema £	Creative learning £	Other projects £	Total 2020 £
Staff costs	203,528	28,321	49,058	-	280,907
Depreciation and impairment	16,267	1,812	5,420	-	23,499
Production costs	37,054	-	-	-	37,054
Film hire and carriage	-	100,528	-	-	100,528
Other cinema costs	-	11,743	-	-	11,743
Marketing	42,804	11,777	-	-	54,581
Creative learning	-	-	23,862	-	23,862
Incoming tours	97,011	-	-	-	97,011
Other expenses	2,288	-	-	-	2,288
Other projects - Tamasha	-	-	-	4,726	4,726
Other projects - Bring me Laughter	-	-	-	42,229	42,229
Cinema project costs	-	14,422	-	-	14,422
SRO Box Office costs	11,116	-	-	-	11,116
Other projects - Sunset screenings	-	-	-	33,264	33,264
Other	-	-	-	2	2
	<u>410,068</u>	<u>168,603</u>	<u>78,340</u>	<u>80,221</u>	<u>737,232</u>
Share of support costs (see note 10)	253,653	103,774	52,976	-	410,403
Share of governance costs (see note 10)	91,873	-	-	-	91,873
	<u>755,594</u>	<u>272,377</u>	<u>131,316</u>	<u>80,221</u>	<u>1,239,508</u>
Analysis by fund					
Unrestricted funds	733,169	272,377	118,816	33,264	1,157,626
Restricted funds	22,425	-	12,500	46,957	81,882
	<u>755,594</u>	<u>272,377</u>	<u>131,316</u>	<u>80,221</u>	<u>1,239,508</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Support costs	Support Governance costs		2021	Support Governance costs		2020	Basis of allocation
	£	£		£	£		
Staff costs	250,966	-	250,966	262,338	-	262,338	Staff time
Rent and rates	24,744	-	24,744	28,283	-	28,283	Usage
Heat and light	22,753	-	22,753	52,769	-	52,769	Usage
Cleaning	3,788	-	3,788	20,525	-	20,525	Staff time
Repairs and maintenance	10,964	-	10,964	13,076	-	13,076	Usage
Telephone	4,366	-	4,366	9,987	-	9,987	Usage
Insurance	17,533	-	17,533	17,386	-	17,386	Floor area
Stationery and computer	16,379	-	16,379	16,019	-	16,019	Usage
Entertainment subscriptions	6,066	-	6,066	6,221	-	6,221	Usage
Staff recruitment and training	6,893	-	6,893	1,578	-	1,578	Usage
Office & sundry expenditure	14,736	-	14,736	9,798	-	9,798	Usage
Audit fees	-	7,963	7,963	-	9,927	9,927	Governance
Governance costs	-	2,908	2,908	-	9	9	Governance
Change costs	-	-	-	-	81,937	81,937	Governance
	<u>379,188</u>	<u>10,871</u>	<u>390,059</u>	<u>437,980</u>	<u>91,873</u>	<u>529,853</u>	
Analysed between							
Trading	23,326	-	23,326	27,577	-	27,577	
Charitable activities	355,862	10,871	366,733	410,403	91,873	502,276	
	<u>379,188</u>	<u>10,871</u>	<u>390,059</u>	<u>437,980</u>	<u>91,873</u>	<u>529,853</u>	

Governance costs includes payments to the auditors of £6,200 (2020- £ 6,200) for audit fees.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses from the charity during the year.

All trustees can receive two free tickets for the guest night performance of a Dukes theatre production.

12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Production - Full time	3	3
Front of house - Full time	3	3
Front of house - Part time	13	10
Administrative - Full time	5	6
Administrative - Part time	3	8
Creative learning - Full time	1	1
Creative learning - Part time	-	1
Total	<u>28</u>	<u>32</u>
Employment costs	2021	2020
	£	£
Wages and salaries	418,411	580,806
Social security costs	24,548	28,943
Other pension costs	25,929	3,503
	<u>468,888</u>	<u>613,252</u>

The average number of full time equivalent employees is 20 (2020: 22). This is calculated using half the number of part time staff.

There were no employees whose annual remuneration was £60,000 or more.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Other

	Unrestricted funds	Unrestricted funds
	2021	2020
Financing costs	6,316	17,479
	<u>6,316</u>	<u>17,479</u>

14 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Total £
Cost			
At 1 April 2020	730,701	539,610	1,270,311
At 31 March 2021	<u>730,701</u>	<u>539,610</u>	<u>1,270,311</u>
Depreciation and impairment			
At 1 April 2020	714,545	486,024	1,200,569
Depreciation charged in the year	8,925	12,846	21,771
At 31 March 2021	<u>723,470</u>	<u>498,870</u>	<u>1,222,340</u>
Carrying amount			
At 31 March 2021	<u>7,231</u>	<u>40,740</u>	<u>47,971</u>
At 31 March 2020	<u>16,156</u>	<u>53,585</u>	<u>69,741</u>

Included in leasehold property improvements is conversion work carried out on a derelict church to create a Youth Arts Centre (DT3). The net book value of DT3 The Creative Learning Centre at the year end was £7,231. The work originally undertaken amounted to £280,750 and was funded by a National Lottery grant of £194,750 from Arts Council England and a grant of £86,000 from Lancaster City Council. The Dukes Playhouse Limited, as part of its charitable aims, supports DT3 The Creative Learning Centre in its work in providing participation activities for local young people.

Included in leasehold property improvements is refurbishment work to the 'round' theatre. The net book value of the studio refurbishment at the year end was £nil. The work originally undertaken amounted to £380,583 and was funded by a grant of £260,383 from North West Development Agency and a grant of £99,100 from Arts Council England.

15 Stocks

	2021 £	2020 £
Goods for sale and consumables	<u>670</u>	<u>2,000</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	56,594	73
Other debtors	71,193	35,195
Prepayments	61,516	80,765
	<u>189,303</u>	<u>116,033</u>

17 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Other taxation and social security		5,660	7,187
Deferred income	18	40,785	37,612
Trade creditors		35,991	30,905
Other creditors		44,000	24,936
Accruals		26,281	22,213
		<u>152,717</u>	<u>122,853</u>

18 Deferred income

	2021	2020
	£	£
Arising from government grants	5,958	-
Relating to post year end productions	34,827	37,612
	<u>40,785</u>	<u>37,612</u>

The income in the above note has been deferred as it relates to box office productions which occurred after 31 March 2021 or grants with unfulfilled conditions at the year end.

19 Retirement benefit schemes

Defined contribution schemes

The charity made pension contributions to an Equity pension scheme for qualifying actors. The assets of the scheme are held in separately administered funds.

The charity made pension contributions to an occupational defined contribution pension scheme for qualifying employees. The assets of the scheme are held in separately administered funds.

The charge to profit or loss in respect of defined contribution schemes was £25,929 (2020 - £3,503).

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019		Movement in funds		Balance at 1 April 2020		Movement in funds		Balance at 31 March 2021	
	£	£	Incoming resources	Resources expended	Transfers	£	Incoming resources	Resources expended	Transfers	£
Lancaster City Council	-	12,500	12,500	(12,500)	-	-	-	-	-	-
Tamasha	630	-	-	(4,726)	4,096	-	8,280	-	(8,280)	-
Bring me Laughter	85,668	10,120	10,120	(42,231)	-	53,557	-	(48,913)	(4,644)	-
Creative learning	12,500	-	-	(12,500)	-	-	7,167	(6,087)	(1,080)	-
Park equipment funding	-	58,763	58,763	-	-	58,763	-	-	-	58,763
Fixed asset restricted funds	23,081	-	-	(9,925)	-	13,156	-	(8,925)	-	4,231
Wellcome Trust	-	-	-	-	-	-	7,020	(7,020)	-	-
Rounding	-	-	-	-	-	-	-	-	(3)	(3)
	<u>121,879</u>	<u>81,383</u>	<u>81,383</u>	<u>(81,882)</u>	<u>4,096</u>	<u>125,476</u>	<u>22,467</u>	<u>(70,945)</u>	<u>(14,007)</u>	<u>62,991</u>

Lancaster city council funding represents grants received in respect of the rent of the theatre.

Tamasha represents grants received and expenditure made in respect of a joint project to deliver the Sustained Theatre Programme. The transfer from unrestricted funds was to close the fund on completion of the project.

Bring me laughter represents grants received in respect of a project to give hundreds of people with dementia a better quality of life.

Creative learning represents grants received in respect of the Centre for Creative Learning.

Park equipment funding represents grants received in respect of the upgrading of the equipment used for the park shows.

The fixed asset note to the accounts describes the purpose of the fixed asset restricted fund.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020	Transfers	Balance at 31 March 2021
	£	£	£
Operating reserve	-	200,000	200,000
Capital programme	-	80,000	80,000
Artistic Programme Investment	-	30,000	30,000
Audience Development	-	20,000	20,000
Capacity Building	-	20,000	20,000
	<u>-</u>	<u>350,000</u>	<u>350,000</u>

Operating Reserves - £200,000

Removed from the general cash flow and designated as an operating reserve for use when approved by the Board. This is equal to 12 weeks of the Dukes pre COVID turnover.

Capital Programme - £80,000

In light of the Dukes ongoing capital needs and also its future ambitions that this reserve is established and the funds used only for major capital emergency needs (including purchasing of equipment vital to operation) and as match funding for any other major capital bids (including pre bid requirements).

Artistic Programme Investment - £30,000

This fund would be used for investment in artistic programme in the future that would return a level of financial capital back to the organisation. Examples could be further investment in digital programming, match funding for co-productions or to support the growth of the Dukes Home-grown productions.

Audience Development - £20,000

The Dukes faces an uncertain future with regards to audiences. This fund would be used to support audience development and marketing programmes outside the normal marketing budget with clear goals and milestones of delivery. These programmes would be focused on increasing audiences and investing in new marketing practices or training.

Capacity Building - £20,000

The Dukes capacity within the staff team is an ongoing challenge which would benefit at times from additional capacity on a short term basis however budgeting for this support is challenging within the current budget model. This fund would be used to fund additional capacity on short term basis particularly in areas of development such as fundraising, marketing and financial management.

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

22 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Tangible assets	43,740	4,231	47,971	56,585	13,156	69,741
Current assets/ (liabilities)	414,465	65,780	480,245	133,786	112,320	246,106
	<u>458,205</u>	<u>70,011</u>	<u>528,216</u>	<u>190,371</u>	<u>125,476</u>	<u>315,847</u>

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	18,797	36,071
Between two and five years	2,871	4,000
	<u>21,668</u>	<u>40,071</u>

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	<u>48,500</u>	<u>36,740</u>

THE DUKES PLAYHOUSE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

25	Cash generated from operations	2021 £	2020 £
	Surplus for the year	212,369	146,278
	Adjustments for:		
	Investment income recognised in statement of financial activities	(95)	(378)
	Depreciation and impairment of tangible fixed assets	21,769	23,499
	Movements in working capital:		
	Decrease in stocks	1,330	1,893
	(Increase)/decrease in debtors	(73,270)	890
	Increase/(decrease) in creditors	26,692	(101,600)
	Increase/(decrease) in deferred income	3,173	(31,063)
	Cash generated from operations	<u>191,968</u>	<u>39,519</u>
26	Analysis of changes in net funds The charity had no debt during the year.		