

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:



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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 2020 £	Restricted funds 2020 £	Total 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:

68ABC314F153402,.....

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	Creative	Other	Total
	£	cinema	learning	projects	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 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 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.		