

Company registration number: 1664358

Charity registration number: 513275

Pendle Hippodrome Theatre Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

Pendle Hippodrome Theatre Limited

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Pendle Hippodrome Theatre Limited

Reference and Administrative Details

Trustees

Mr M D Cleaver
Mr D Farrer
Mr N J Goodall
Mrs M Greenwood
Mr S C Manley
Mr K Mason
Mr D Miller
Mrs H L Nelson
Mr P S Thompson
Mr K Walton
Mr J M Whittam
Mrs K Wilson

Secretary Mrs P L Manley

Principal Office Newmarket Street
Colne
Lancashire
BB8 9BJ

Company Registration Number 1664358

Charity Registration Number 513275

Bankers Barclays Bank
72 St James Street
Burnley
Lancashire
BB11 1NH

Independent Examiner KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
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Pendle Hippodrome Theatre Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2020.

Objectives and activities

Objects

To promote, maintain, improve and advance public education by the production and presentation of the performing arts.

To operate, maintain and promote the premises known as Pendle Hippodrome Theatre, New Market Street, Colne.

Review of the year

As we started 2020 Theatre bookings both repeat and new remained high throughout the year. When accepting bookings we look to try and provide a varied program of amateur and professional events. This enables us to increase our engagement with the wider community to promote the arts and culture in line with our constitution. Managing bookings is a constant battle for the trustees as we continue with our policy of being 100% volunteer managed and staffed, we must always ensure that we have the resource to staff any bookings we take. For this reason we do sometimes have to decline bookings.

Unfortunately due to COVID-19 the Theatre closed in March 2020 and has not yet reopened at the date of approving these accounts. We are hopeful that as 2022 approaches that we will be able to fully reopen with our program of events from both the Pendle Hippodrome Theatre Company and the Youth Theatre as well as other groups.

Derby Arms Refurbishment

Plans have been drawn up and work is ongoing to seek out funding and apply to the council for planning permission. The current estimate for all the work is around £1.25m so it's vital that we can get some funding in place to progress with this project.

Public benefit

The charity Pendle Hippodrome Theatre Ltd can display its 'Public Benefit' in several specific ways.

Its commitment of service to the community with the provision of opportunity for all to take part in or observe many aspects of the Performing Arts.

Its commitment to the preservation, use and development of a unique building in the interest of the advancement of Arts, Culture and Heritage.

Its commitment to the encouragement and education of youth through its own youth group freely open to all to experience the performing arts and work alongside peers and adults to enhance personal and community development.

Its commitment to operate on a self-funding and total voluntary basis encouraging any person to take part in its activities.

Its commitment to work alongside formal education to provide young people with a wider experience of Arts, Culture and the role played by volunteer groups in the wider community.

Its long term commitment to seek out new opportunities to reach a wider sector of the community.

Pendle Hippodrome Theatre Limited

Trustees' Report

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

Income in 2020 was reduced considerably due to COVID-19 as the theatre was closed from late March. We obtained local authority grants of £11,334 plus a grant of £6,622 from Theatre Works for the development of the Derby Arms. Expenditure in the year included the costs of maintaining the building as well as performance costs pre-lockdown.

The charity generated a small surplus before depreciation.

Policy on reserves

In view of the nature of the income and expenditure of the charity there is a need to match variable income with fixed commitments and the nature of the reserves. The directors consider that to continue the current activities a general reserve of £80,000 should be maintained. The directors have agreed to use the remaining reserves for development of the Theatre, and the Derby Arms project. This will improve facilities for our own companies and our hirers to further our objects in the promotion of theatre arts and also provide improved facilities for the disabled.

Reserves at the year end are as follows:

General fund £77,039

Fixed assets reserve £153,768

Building reserve £110,630

Investment policy and objectives

The charity holds surplus funds in interest bearing bank accounts.

Structure, governance and management

Nature of governing document

The charity is controlled by its Articles of Association dated 15th September 1982.

Recruitment and appointment of trustees

The directors are elected by Pendle Hippodrome Theatre Company (an unincorporated association).

Organisational structure

The directors met regularly throughout the year electronically.

Major risks and management of those risks

The trustees have a risk management process to assess business risks and are implementing systems to mitigate these risks. Internal risks are minimised by the implementation of procedures for authorization of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. As part of an ongoing improvement policy these risk procedures are reviewed on an annual basis and corrected / amended when necessary.

Pendle Hippodrome Theatre Limited

Trustees' Report

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 17 August 2021 and signed on its behalf by:



Mr K Mason
Trustee

Pendle Hippodrome Theatre Limited

Independent Examiner's Report to the trustees of Pendle Hippodrome Theatre Limited

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 6 to 14.

Respective responsibilities of trustees and examiner

As the charity's trustees of Pendle Hippodrome Theatre Limited (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').


Having satisfied myself that the accounts of Pendle Hippodrome Theatre Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Pendle Hippodrome Theatre Limited as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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


.....
Mark Heaton FCCA FCIE DChA
KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

17 August 2021

Pendle Hippodrome Theatre Limited

**Statement of Financial Activities for the Year Ended 31 December 2020
(Including Income and Expenditure Account and Statement of Total Recognised Gains
and Losses)**

| | Note | Unrestricted funds £ | Total 2020 £ | Unrestricted funds £ | Total 2019 £ |
|--------------------------------|------|----------------------------|-----------------------|----------------------------|-----------------------|
| Income from: | | | | | |
| Donations | 3 | 25,060 | 25,060 | 6,635 | 6,635 |
| Charitable activities | 4 | 23,732 | 23,732 | 101,121 | 101,121 |
| Other trading activities | 5 | - | - | 31,881 | 31,881 |
| Investment income | 6 | 722 | 722 | 485 | 485 |
| Total income | | <u>49,514</u> | <u>49,514</u> | <u>140,122</u> | <u>140,122</u> |
| Expenditure on: | | | | | |
| Raising funds | 7 | - | - | (20,594) | (20,594) |
| Charitable activities | 8 | (55,455) | (55,455) | (102,993) | (102,993) |
| Total expenditure | | <u>(55,455)</u> | <u>(55,455)</u> | <u>(123,587)</u> | <u>(123,587)</u> |
| Net (expenditure)/income | | <u>(5,941)</u> | <u>(5,941)</u> | <u>16,535</u> | <u>16,535</u> |
| Net movement in funds | | (5,941) | (5,941) | 16,535 | 16,535 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>347,378</u> | <u>347,378</u> | <u>330,843</u> | <u>330,843</u> |
| Total funds carried forward | 15 | <u><u>341,437</u></u> | <u><u>341,437</u></u> | <u><u>347,378</u></u> | <u><u>347,378</u></u> |

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 15.

Pendle Hippodrome Theatre Limited

(Registration number: 1664358)
Balance Sheet as at 31 December 2020

| | Note | 2020 £ | 2019 £ |
|---|------|----------------|-----------------|
| Fixed assets | | | |
| Tangible assets | 12 | 153,768 | 160,062 |
| Investments | 13 | <u>48,277</u> | <u>41,326</u> |
| | | <u>202,045</u> | <u>201,388</u> |
| Current assets | | | |
| Stocks | | 3,557 | 3,557 |
| Cash at bank and in hand | | <u>142,330</u> | <u>155,293</u> |
| | | 145,887 | 158,850 |
| Creditors: Amounts falling due within one year | 14 | <u>(6,495)</u> | <u>(12,860)</u> |
| Net current assets | | <u>139,392</u> | <u>145,990</u> |
| Net assets | | <u>341,437</u> | <u>347,378</u> |
| Funds of the charity: | | | |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>341,437</u> | <u>347,378</u> |
| Total funds | 15 | <u>341,437</u> | <u>347,378</u> |

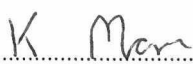
For the financial year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 6 to 14 were approved by the trustees, and authorised for issue on 17 August 2021 and signed on their behalf by:


.....
Mr K Mason
Trustee

Pendle Hippodrome Theatre Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Charity status

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Newmarket Street

Colne

Lancashire

BB8 9BJ

These financial statements were authorised for issue by the trustees on 17 August 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity is exempt from preparing a cash flow statement.

Income

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

Pendle Hippodrome Theatre Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|-------------------|------------------------------|
| Freehold property | 2% on cost per annum |
| Equipment | 33% on cost per annum |

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Pendle Hippodrome Theatre Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Income from donations

| | Unrestricted funds | Total 2020 | Total 2019 |
|-------------------|-----------------------|---------------|---------------|
| | General £ | £ | £ |
| Donations | 7,104 | 7,104 | 6,635 |
| Government grants | 11,334 | 11,334 | - |
| Other grants | 6,622 | 6,622 | - |
| | 25,060 | 25,060 | 6,635 |

4 Income from charitable activities

| | Unrestricted funds | Total 2020 | Total 2019 |
|--------------------|-----------------------|---------------|---------------|
| | General £ | £ | £ |
| Theatre Operations | 6,530 | 6,530 | 78,100 |
| Youth Theatre | 17,202 | 17,202 | 23,021 |
| | 23,732 | 23,732 | 101,121 |

5 Income from other trading activities

| | Total 2020 | Total 2019 |
|-----------------|---------------|---------------|
| | £ | £ |
| Trading income: | | |
| Craft Fair | - | 31,881 |
| | - | 31,881 |

6 Investment income

| | Unrestricted funds | Total 2020 | Total 2019 |
|--------------------------------------|-----------------------|---------------|---------------|
| | General £ | £ | £ |
| Interest receivable on bank deposits | 722 | 722 | 485 |
| | 722 | 722 | 485 |

7 Expenditure on raising funds

| | Total 2020 | Total 2019 |
|------------|---------------|---------------|
| | £ | £ |
| Craft Fair | - | 20,594 |
| | - | 20,594 |

Pendle Hippodrome Theatre Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Expenditure on charitable activities

| | Unrestricted funds | Total 2020 | Total 2019 |
|--------------------|-----------------------|---------------|----------------|
| | General £ | £ | £ |
| Theatre Operations | 43,316 | 43,316 | 79,818 |
| Youth Theatre | 12,139 | 12,139 | 23,175 |
| | <u>55,455</u> | <u>55,455</u> | <u>102,993</u> |

9 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

| | 2020 £ | 2019 £ |
|------------------------------|--------------|--------------|
| Depreciation of fixed assets | 6,294 | 6,881 |
| Independent examiners fee | <u>1,340</u> | <u>1,320</u> |

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Pendle Hippodrome Theatre Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

12 Tangible fixed assets

| | Freehold property £ | Equipment £ | Total £ |
|-----------------------|---------------------------|----------------|----------------|
| Cost | | | |
| At 1 January 2020 | 237,494 | 91,942 | 329,436 |
| At 31 December 2020 | <u>237,494</u> | <u>91,942</u> | <u>329,436</u> |
| Depreciation | | | |
| At 1 January 2020 | 79,001 | 90,373 | 169,374 |
| Charge for the year | <u>4,725</u> | <u>1,569</u> | <u>6,294</u> |
| At 31 December 2020 | <u>83,726</u> | <u>91,942</u> | <u>175,668</u> |
| Net book value | | | |
| At 31 December 2020 | <u>153,768</u> | - | <u>153,768</u> |
| At 31 December 2019 | <u>158,493</u> | <u>1,569</u> | <u>160,062</u> |

13 Fixed asset investments

| | 2020 £ | 2019 £ |
|-------------------|---------------|---------------|
| Other investments | <u>48,277</u> | <u>41,326</u> |

Other investments consists of a deposit account with Cambridge & Counties Bank.

14 Creditors

| | 2020 £ | 2019 £ |
|-----------------|--------------|---------------|
| Trade creditors | 4,995 | 2,824 |
| Accruals | <u>1,500</u> | <u>10,036</u> |
| | <u>6,495</u> | <u>12,860</u> |

Pendle Hippodrome Theatre Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

15 Funds

| | Balance at 1 January 2020 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 December 2020 £ |
|---------------------------|--------------------------------------|----------------------------|----------------------------|----------------|---|
| Unrestricted funds | | | | | |
| <i>General</i> | | | | | |
| General Fund | 76,686 | 49,514 | (55,455) | 6,294 | 77,039 |
| <i>Designated</i> | | | | | |
| Fixed Assets | 160,062 | - | - | (6,294) | 153,768 |
| Building Reserve | 110,630 | - | - | - | 110,630 |
| | <u>270,692</u> | <u>-</u> | <u>-</u> | <u>(6,294)</u> | <u>264,398</u> |
| Total funds | <u>347,378</u> | <u>49,514</u> | <u>(55,455)</u> | <u>-</u> | <u>341,437</u> |
| | | | | | |
| | Balance at 1 January 2019 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 December 2019 £ |
| Unrestricted funds | | | | | |
| <i>General</i> | | | | | |
| General Fund | 80,000 | 139,755 | (123,587) | (19,482) | 76,686 |
| <i>Designated</i> | | | | | |
| Fixed Assets | 165,580 | - | - | (5,518) | 160,062 |
| Building Reserve | 85,263 | 367 | - | 25,000 | 110,630 |
| | <u>250,843</u> | <u>367</u> | <u>-</u> | <u>19,482</u> | <u>270,692</u> |
| Total funds | <u>330,843</u> | <u>140,122</u> | <u>(123,587)</u> | <u>-</u> | <u>347,378</u> |

Pendle Hippodrome Theatre Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Analysis of net assets between funds

| | Unrestricted funds | | Total funds £ |
|-------------------------|--------------------|-----------------|------------------|
| | General £ | Designated £ | |
| Tangible fixed assets | - | 153,768 | 153,768 |
| Fixed asset investments | 48,277 | - | 48,277 |
| Current assets | 145,887 | - | 145,887 |
| Current liabilities | (6,495) | - | (6,495) |
| Total net assets | <u>187,669</u> | <u>153,768</u> | <u>341,437</u> |

| | Unrestricted funds | | Total funds £ |
|-------------------------|--------------------|-----------------|------------------|
| | General £ | Designated £ | |
| Tangible fixed assets | - | 160,062 | 160,062 |
| Fixed asset investments | 41,326 | - | 41,326 |
| Current assets | 158,850 | - | 158,850 |
| Current liabilities | (12,860) | - | (12,860) |
| Total net assets | <u>187,316</u> | <u>160,062</u> | <u>347,378</u> |