

Company registration number: 01664358

Charity registration number: 513275

Pendle Hippodrome Theatre Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2022

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

Pendle Hippodrome Theatre Limited

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 15

Pendle Hippodrome Theatre Limited

Reference and Administrative Details

Trustees	Mr M D Cleaver Mr D Farrer Mr N J Goodall Mr M Hargreaves Mr S C Manley Mr K Mason 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 The charity is incorporated in England.
Company Registration Number	01664358
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 BB11 1JG

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 2022.

Trustees

Mr M D Cleaver

Mr D Farrer

Mr N J Goodall

Mrs M Greenwood (resigned 26 April 2022)

Mr M Hargreaves (appointed 27 April 2022)

Mr S C Manley

Mr K Mason

Mrs H L Nelson

Mr P S Thompson

Mr K Walton

Mr J M Whittam

Mrs K Wilson

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

This year was our first full 12 months of operating since the covid pandemic in 2019. Theatre life started to get back to normal and hirers old and new started to return to give us a packed and exciting program of events. This included 4 full musicals shows, plays and many dance events and school performances. Financially, every grant available to us was obtained to help maintain the cash flow, and the prudence of the directors in maintaining healthy cash reserves over the years meant we were able to continue without any serious financial hardship. The Theatre Board have worked tirelessly to commit to the smooth running of the theatre, ensuring the sustainability of the theatre for all that use it.

The strong team of volunteers undertook numerous maintenance tasks throughout the year. With someone in attendance 4 or 5 mornings and 3 or 4 evenings every week. The list of jobs required to maintain and improve the theatre is never ending but with the help of these volunteers we managed to undertake all the key tasks.

The wardrobe department continued to open by request, but was still extremely busy and helped contribute to the Theatre funds by providing a high financial income.

Pendle Hippodrome Theatre Limited

Trustees' Report

Volunteers

The Theatre continues to operate a 100% volunteer function and engages no paid staff on any occasion. The Theatre could not run without its strong team of volunteers who contribute significantly to the running of the organisation. The volunteers come from a diverse range of backgrounds, sharing a common love of the arts and inclusivity. Many volunteers have attended the Theatre Company or Youth Theatre which forms part of our Theatre themselves.

Theatre Company

The Pendle Hippodrome Theatre Company staged 2 musical productions and a play throughout the year and welcomed older members from the Youth Theatre along with any new members who wished to be part.

Youth Theatre

The Pendle Hippodrome Youth Theatre is managed by a subcommittee approved by the Theatre Board, the committee's role includes supporting the children and young people within the weekly workshops, leading activities and helping with the planning of the artistic programme alongside the Artistic team. The Youth Theatre works with the volunteers to build their confidence, offer them development and training and help signpost them to wider education and employment opportunities in the borough.

The Youth Theatre maintains a thriving membership open to all children 10 years and above.

Derby Arms Refurbishment

Following last year's notification of being successful in obtaining part of a levelling up grant from central government which was awarded to Pendle Council, we have spent the year fine tuning the plans and preparing numerous specification sheets and quantity surveyors estimates for a contractor tender document. It is hoped to get this document circulated to prospective contractors early in 2023 with an expected start in spring 2023 and a completion in summer 2024. Expenditure in 2022 was £25,948, fully covered by grant claims.

Management

The Board has dealt with all aspects of management and financial control over the year with the theatre finances and investments are well managed and healthy balances are maintained. The self-funding operation of the Theatre continues to work well, with the Board having total control of finances and assets, the policy of volunteer only operation remains absolute. The main source of revenue remains constant, include theatre hire, bar sales, annual craft fair, wardrobe and prop hire. Grant assistance for specific projects/capital items are sought when appropriate. The Board does not consider operational grant aid to be practical.

The building fund will remain active to help progress with the Derby Arms integration building project.

Future plans

The Board will continue to investigate fully all areas of revenue generation and will promote the Theatre and its Groups to the fullest advantage. The extent of community involvement in the theatre is evident from the usage of the building, Requests for hiring are healthy for the coming year with several new hirers which we are hoping to turn into regulars.

Pendle Hippodrome Theatre Limited

Trustees' Report

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.

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

Total unrestricted income amounted to £140,128, with expenditure of £111,931 generating a surplus of £28,197.

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 £181,124

Fixed assets reserve £144,318

Building reserve £110,630

Investment policy and objectives

The charity holds surplus funds in interest bearing bank accounts.

Pendle Hippodrome Theatre Limited

Trustees' Report

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.

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.

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 18 April 2023 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 2022 which are set out on pages 7 to 15.

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

18 April 2023

Pendle Hippodrome Theatre Limited

**Statement of Financial Activities for the Year Ended 31 December 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains
and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Total 2021 £
Income from:						
Donations	3	3,904	25,948	29,852	74,232	74,232
Charitable activities	4	56,825	-	56,825	11,075	11,075
Other trading activities	5	78,728	-	78,728	38,135	38,135
Investment income	6	671	-	671	487	487
Total income		<u>140,128</u>	<u>25,948</u>	<u>166,076</u>	<u>123,929</u>	<u>123,929</u>
Expenditure on:						
Raising funds	7	(24,269)	-	(24,269)	(21,536)	(21,536)
Charitable activities	8	(87,662)	(25,948)	(113,610)	(35,955)	(35,955)
Total expenditure		<u>(111,931)</u>	<u>(25,948)</u>	<u>(137,879)</u>	<u>(57,491)</u>	<u>(57,491)</u>
Net income		<u>28,197</u>	<u>-</u>	<u>28,197</u>	<u>66,438</u>	<u>66,438</u>
Net movement in funds		28,197	-	28,197	66,438	66,438
Reconciliation of funds						
Total funds brought forward		<u>407,875</u>	<u>-</u>	<u>407,875</u>	<u>341,437</u>	<u>341,437</u>
Total funds carried forward	16	<u><u>436,072</u></u>	<u><u>-</u></u>	<u><u>436,072</u></u>	<u><u>407,875</u></u>	<u><u>407,875</u></u>

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

The funds breakdown for 2021 is shown in note 16.

Pendle Hippodrome Theatre Limited

(Registration number: 01664358)
Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	144,318	149,043
Investments	13	<u>99,154</u>	<u>48,743</u>
		<u>243,472</u>	<u>197,786</u>
Current assets			
Stocks		3,843	3,557
Debtors	14	15,780	1,750
Cash at bank and in hand		<u>175,406</u>	<u>214,862</u>
		195,029	220,169
Creditors: Amounts falling due within one year	15	<u>(2,429)</u>	<u>(10,080)</u>
Net current assets		<u>192,600</u>	<u>210,089</u>
Net assets		<u>436,072</u>	<u>407,875</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>436,072</u>	<u>407,875</u>
Total funds	16	<u>436,072</u>	<u>407,875</u>

For the financial year ending 31 December 2022 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 7 to 15 were approved by the trustees, and authorised for issue on 18 April 2023 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 2022

1 Charity status

The charity is limited by guarantee, incorporated in England, 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 18 April 2023.

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 2019) - (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 2022

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 debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

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 2022

3 Income from donations

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	General £	£	£	£
Donations	1,237	-	1,237	3,985
Government grants	2,667	25,948	28,615	16,336
Legacies	-	-	-	53,911
	<u>3,904</u>	<u>25,948</u>	<u>29,852</u>	<u>74,232</u>

4 Income from charitable activities

	Unrestricted funds	Total 2022	Total 2021
	General £	£	£
Theatre Operations	38,647	38,647	7,598
Youth Theatre	18,178	18,178	3,477
	<u>56,825</u>	<u>56,825</u>	<u>11,075</u>

5 Income from other trading activities

	Unrestricted funds	Total 2022	Total 2021
	General £	£	£
Trading income:			
Bar sales etc	42,739	42,739	7,772
Craft Fair	35,989	35,989	30,363
	<u>78,728</u>	<u>78,728</u>	<u>38,135</u>

6 Investment income

	Unrestricted funds	Total 2022	Total 2021
	General £	£	£
Interest receivable on bank deposits	<u>671</u>	<u>671</u>	<u>487</u>

Pendle Hippodrome Theatre Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

7 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds	Total 2022	Total 2021
	General £	£	£
Fundraising trading	24,269	24,269	21,536

8 Expenditure on charitable activities

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	General £	£	£	£
Theatre Operations	74,632	-	74,632	33,335
Youth Theatre	13,030	-	13,030	2,620
Levelling up grant expenditure	-	25,948	25,948	-
	87,662	25,948	113,610	35,955

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Depreciation of fixed assets	4,725	6,558
Independent examiners fee	1,360	1,340

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 2022

12 Tangible fixed assets

	Freehold property £	Equipment £	Total £
Cost			
At 1 January 2022	237,494	93,775	331,269
At 31 December 2022	<u>237,494</u>	<u>93,775</u>	<u>331,269</u>
Depreciation			
At 1 January 2022	88,451	93,775	182,226
Charge for the year	4,725	-	4,725
At 31 December 2022	<u>93,176</u>	<u>93,775</u>	<u>186,951</u>
Net book value			
At 31 December 2022	<u>144,318</u>	<u>-</u>	<u>144,318</u>
At 31 December 2021	<u>149,043</u>	<u>-</u>	<u>149,043</u>

13 Fixed asset investments

	2022 £	2021 £
Other investments	<u>99,154</u>	<u>48,743</u>

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

14 Debtors

	2022 £	2021 £
Trade debtors	14,400	1,750
Other debtors	1,380	-
	<u>15,780</u>	<u>1,750</u>

15 Creditors

	2022 £	2021 £
Trade creditors	708	8,580
Accruals	1,721	1,500
	<u>2,429</u>	<u>10,080</u>

Pendle Hippodrome Theatre Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

16 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2022 £
Unrestricted funds					
<i>General</i>					
General Fund	148,202	140,128	(111,931)	4,725	181,124
<i>Designated</i>					
Fixed Assets	149,043	-	-	(4,725)	144,318
Building Reserve	110,630	-	-	-	110,630
	<u>259,673</u>	<u>-</u>	<u>-</u>	<u>(4,725)</u>	<u>254,948</u>
Total unrestricted funds	407,875	140,128	(111,931)	-	436,072
Restricted funds					
Levelling up grant - Pendle BC	-	25,948	(25,948)	-	-
Total funds	<u>407,875</u>	<u>166,076</u>	<u>(137,879)</u>	<u>-</u>	<u>436,072</u>
	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2021 £
Unrestricted funds					
<i>General</i>					
General Fund	77,039	124,714	(58,276)	4,725	148,202
<i>Designated</i>					
Fixed Assets	153,768	-	-	(4,725)	149,043
Building Reserve	110,630	-	-	-	110,630
	<u>264,398</u>	<u>-</u>	<u>-</u>	<u>(4,725)</u>	<u>259,673</u>
Total funds	<u>341,437</u>	<u>124,714</u>	<u>(58,276)</u>	<u>-</u>	<u>407,875</u>

Pendle Hippodrome Theatre Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

17 Analysis of net assets between funds

	Unrestricted funds		Total funds at 31 December 2022 £
	General £	Designated £	
Tangible fixed assets	-	144,318	144,318
Fixed asset investments	-	99,154	99,154
Current assets	195,029	-	195,029
Current liabilities	(2,429)	-	(2,429)
Total net assets	<u>192,600</u>	<u>243,472</u>	<u>436,072</u>

	Unrestricted funds		Total funds at 31 December 2021 £
	General £	Designated £	
Tangible fixed assets	-	149,043	149,043
Fixed asset investments	-	48,743	48,743
Current assets	158,282	61,887	220,169
Current liabilities	(10,080)	-	(10,080)
Total net assets	<u>148,202</u>	<u>259,673</u>	<u>407,875</u>