

DROITWICH THEATRE AND ARTS CLUB LIMITED
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

BOYDS ACCOUNTANTS LTD

Registered Charity no: 701631
Company no: 712542

DROITWICH THEATRE AND ARTS CLUB LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Registered Office : Droitwich Theatre and Arts Club Ltd
Friar Street
Droitwich
WR9 8ED

Bankers : HSBC Bank PLC
11 Victoria Square
Droitwich
WR9 8DH

Accountants : Boyds
Britannia Court
5 Moor Street
Worcester
WR1 3DB

Council of Management : Mrs P A Lane (Chairman)
All of whom are Directors Mrs M A Brown
Mrs C T Hartle
B A Hooper
A J Spearing-Brown
G Sinclair
B P Thompson
J A Birchley
Miss G F Duggan
Mrs S K Luff
Dr P Steele
N Wilde

DROITWICH THEATRE AND ARTS CLUB LIMITED REPORT OF THE COUNCIL OF MANAGEMENT For the year ended 31 March 2022

The members of the Council of Management, who form the Board of Directors for the purposes of Company law and trustees for the purposes of Charity law, present their report and the financial statements for the year ended 31st March 2022.

CONSTITUTION AND ORGANISATION

The company, which is limited by guarantee, is governed by its Memorandum and Articles of Association, and is a registered charity. The charity registration number is 701631. The charity's operations are controlled by a "Council of Management" which reports to the members at the Annual General Meeting and holds a monthly meeting in order to run the affairs and to review the implementation of policies. Various sub-committees are established to deal with detailed operational aspects of the day to day running of the theatre.

OBJECTS

The charity was formed in order to advance the education and improvement of public taste through the medium of arts, in particular the arts of drama, dancing, singing and music.

REVIEW OF ACTIVITIES AND FURTHER DEVELOPMENTS

The principal means by which the company carries out its charitable objectives continues to be the running of a theatre and arts club. This is carried out by the staging of shows at the Norbury Little Theatre in Droitwich. Income is generated from the sale of tickets and refreshments at the productions along with subscriptions from members and the occasional donation.

The theatre is rented from Friar Street Arts Limited.

The Statement of Financial Activities for the year is set out on page 4.

COUNCIL OF MANAGEMENT

Members of the Council of Management who served during the year and up to the date of this report were as follows:

Mrs P A Lane	A J Spearing-Brown	Mrs M A Brown
J A Birchley	B Hooper	B P Thompson
Miss G F Duggan	Mrs S K Luff	Mrs J E Lush (resigned)
G Sinclair	Mrs A J Norcott (resigned)	Mrs C T Hartle
Dr P Steele (appointed)	N Wilde (appointed)	

The Directors retiring by rotation in accordance with the Articles of Association are Mrs P A Lane, B Hooper and A J Spearing-Brown, and who offer themselves for re-election at the forthcoming Annual General Meeting.

RESPONSIBILITIES OF THE COUNCIL OF MANAGEMENT

Company Law requires the Council of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the balance sheet date and of its incoming resources and application of those resources, including income and expenditure for that period. In preparing those financial statements the directors are required to:

select suitable accounting policies and then apply them consistently

make judgements and estimates that are reasonable and prudent

prepare the financial statements on the going concern basis unless it is inappropriate to presume the company will continue in business.

**DROITWICH THEATRE AND ARTS CLUB LIMITED
REPORT OF THE COUNCIL OF MANAGEMENT
For the year ended 31 March 2022**

The Council of Management is also responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with the Companies Act 2006.

It is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORTING ACCOUNTANTS

A resolution proposing the re-appointment of Boyds as reporting accountants will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and was approved by the Board and signed on its behalf.

.....
Mrs A Lane
Chairman
6th July 2022

ACCOUNTANTS' REPORT TO THE COUNCIL OF MANAGEMENT ON THE UNAUDITED FINANCIAL STATEMENTS OF DROITWICH THEATRE AND ARTS CLUB LIMITED

In order to assist you to fulfill your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the Statement of Financial Activities, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Council of Management, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Council of Management that we have done so, and state those matters that we have agreed to state to them in this 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 Company and the Council of Management, as a body, for our work, or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

As described on page 2 you have acknowledged your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Boys
20 Sansome Walk
Worcester

6th July 2022

DROITWICH THEATRE AND ARTS CLUB LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 March 2022

	Note	2022 £	2021 £
INCOMING RESOURCES			
Activities in furtherance of the charity's objects: -			
Production Proceeds		60,756	225
Bar Sales		6,727	-
Subscriptions		2,080	915
Outside Company Production Proceeds		10,641	-
Room and Equipment Hire		2,094	411
Sale of Sweets, Ices and Coffee		4,747	-
Income from Raffles and Donations		13,223	3,065
Interest receivable		5	11
Theatre Tax Relief		-	28,378
Lottery Grants		20,000	-
Loss Interruption Insurance Claims		36,188	-
Government Grants		<u>10,667</u>	<u>21,206</u>
TOTAL INCOMING RESOURCES		<u>167,128</u>	<u>54,211</u>
RESOURCES EXPENDED			
Direct Charitable Expenditure	2	126,113	46,475
Management and Administration of the Charity	3	<u>3,714</u>	<u>6,213</u>
TOTAL RESOURCES EXPENDED		<u>129,827</u>	<u>52,688</u>
NET INCOMING RESOURCES	4	<u>37,301</u>	<u>1,523</u>
Allocation			
General fund		37,301	1,523
Restricted fund		<u>-</u>	<u>-</u>
		<u>37,301</u>	<u>1,523</u>
Funds brought forward at 1 April 2021		71,424	69,901
Funds carried forward as at 31 March 2022		<u>108,725</u>	<u>71,424</u>

The notes on pages 6 to 9 form part of these financial statements.

DROITWICH THEATRE & ARTS CLUB LIMITED
BALANCE SHEET
As at 31 March 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible Assets	5	54,893	279
CURRENT ASSETS			
Stocks	6	1,295	451
Debtors	7	7,220	14,880
Cash at Bank and In Hand		<u>61,711</u>	<u>110,686</u>
		70,226	126,017
CURRENT LIABILITIES			
Creditors - Amounts falling due within one year	8	<u>16,394</u>	<u>54,872</u>
NET CURRENT ASSETS		<u>53,832</u>	<u>71,145</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>108,725</u>	<u>71,424</u>
CAPITAL AND RESERVES			
General fund	11	96,097	58,796
Restricted fund	12	<u>12,628</u>	<u>12,628</u>
		<u>£108,725</u>	<u>£71,424</u>

For the year ended 31 March 2022 the company was entitled to exemption under section 477(2) of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for:

- Ensuring the company keeps accounting records which comply with section 386; and
- Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit and loss for the financial year, in accordance with section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 applicable to small companies and were approved by the Board and signed on its behalf.

.....
Mrs A Lane

6th July 2022

The notes on pages 6 to 9 form part of these financial statements.

DROITWICH THEATRE AND ARTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

1. ACCOUNTING POLICIES

(a) Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in 2005 and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008)

(b) Company Status

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

(c) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income, and represents the proceeds of tickets and sales at various productions, members' subscriptions and the proceeds of raffles and donations.

(d) Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Restricted funds are funds to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

(e) Tangible fixed assets and depreciation

Purchases of theatre equipment and improvements of a significant nature are capitalised and are stated at cost less depreciation. Depreciation of fixed assets is provided at rates estimated to write off the cost, less estimated residual value of each asset over its expected useful life as follows:

Audio Lighting and Switchboard Equipment	20% reducing balance
Fixtures, Fittings and Other Equipment	25% straight line

(f) Stocks

Stocks are stated at the lower of cost and net realisable value.

(g) Headings

The headings in the Statement of Financial Activities and in the Balance Sheet do not precisely follow those set out in the Companies Act 1985. The Council of Management consider that the nature of the business is such that the headings adopted are both more informative and more accurately reflect the specific nature of the company's activities.

(h) Taxation

As a charity, the company will usually be exempt from Corporation Tax and is able to reclaim tax deducted from its investment income. There may be a restriction on the amount of taxation that can be claimed where the company has any non-charitable expenditure. Provision is made for the amount of tax refund due.

DROITWICH THEATRE AND ARTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

1. ACCOUNTING POLICIES (Continued)

(i) Leasing and hire purchase contracts

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the leaser are charged to profit and loss account as incurred.

	2022 £	2021 £
2. DIRECT CHARITABLE EXPENDITURE		
Cost of Bar Sales	1,781	621
Production Costs	46,757	3,356
Outside Company Production Costs	7,810	-
Cost of Sweets, Ices and Coffee	3,362	522
Rent, Rates and Insurance	11,059	7,789
Heat, Light and Water	10,979	2,800
Printing, Stationery and Advertising	6,870	2,077
Telephone and Postage	972	792
Stage Equipment and Theatre Furnishing and Fittings	1,928	1,332
Cleaning Expenses	3,176	508
Repairs and Renewals	12,843	19,865
Depreciation	<u>18,576</u>	<u>6,813</u>
	<u>126,113</u>	<u>46,475</u>
3. MANAGEMENT AND ADMINISTRATION OF THE CHARITY	2022 £	2021 £
Bank Charges	277	182
Accountants' Fee	1,200	1,200
Professional Fees	-	4,230
Incidental Expenses	<u>2,237</u>	<u>601</u>
	<u>3,714</u>	<u>6,213</u>
4. NET INCOMING RESOURCES FOR THE YEAR	2022 £	2021 £
This is stated after charging the following:		
Operating Lease Rentals – Property	7,764	3,882
Depreciation	18,576	6,813
Accountants' Remuneration	<u>1,200</u>	<u>1,200</u>
	<u>27,840</u>	<u>11,895</u>

The Directors receive no remuneration. No staff employed by the company.

DROITWICH THEATRE AND ARTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

5. TANGIBLE FIXED ASSETS

	Fixtures, Fittings and Other Equipment £
COST	
At 1 April 2021	40,147
Additions	<u>73,190</u>
At 31 March 2022	<u>113,337</u>
DEPRECIATION	
At 1 April 2021	39,868
Charge for the Year	<u>18,576</u>
At 31 March 2022	<u>58,444</u>
NET BOOK VALUE	
At 31 March 2022	<u>54,893</u>
At 31 March 2021	<u>279</u>

6. STOCKS

	2022 £	2021 £
Bar and Other Stocks	<u>1,295</u>	<u>451</u>
	<u>1,295</u>	<u>451</u>

7. DEBTORS

	2022 £	2021 £
Due within one year as follows:		
Other Debtors	<u>7,220</u>	<u>14,880</u>
	<u>7,220</u>	<u>14,880</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade Creditors and Accruals	15,886	4,557
Deferred income from donations	508	9,558
Bounceback loan	-	<u>40,757</u>
	<u>16,394</u>	<u>54,872</u>

9. OPERATING LEASE COMMITMENTS

The company has a commitment under an operating lease relating to rent of the theatre which expires in over twenty years at an annual rental of £7,764 (2021 - £3,882 after a 50% reduction by the landlord).

10. CAPITAL AND RESERVES

Every member of the Club undertakes to contribute to the assets of the Club in the event of its being wound up while he is a member, or within one year afterwards, for payment of the debts and liabilities of the Club contracted before he ceases to be a member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £1.

DROITWICH THEATRE AND ARTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

11. GENERAL FUND

	2022	2021
	£	£
Net profit for the year	37,301	1,523
General fund at 1 April 2021	<u>58,796</u>	<u>57,273</u>
General fund at 31 March 2022	<u>96,097</u>	<u>58,796</u>

12. RESTRICTED FUND

	2022	2021
	£	£
Restricted fund brought forward	<u>12,628</u>	<u>12,628</u>
Restricted fund carried forward	<u>12,628</u>	<u>12,628</u>

DROITWICH THEATRE AND ARTS CLUB LIMITED
DETAILED INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 March 2022

	2022			2021		
	Income	Costs	Profit/ (Loss)	Income	Costs	Profit/ (Loss)
Own Productions	60,756	46,757	13,999	225	3,356	(3,131)
Outside Productions	10,641	7,810	2,831	-	-	-
Bar	6,727	1,781	4,946	-	621	(621)
Sweets, Ices and Coffee	4,747	3,362	1,385	-	522	(522)
Subscriptions	2,080	-	2,080	915	-	915
Room Hire and Equipment	2,094	-	2,094	411	-	411
Donations and Raffles	13,223	-	13,223	3,065	-	3,065
Interest	5	-	5	11	-	11
Loss Interruption Insurance claim	36,188	-	36,188	-	-	-
Lottery Grant	20,000	-	20,000	-	-	-
Theatre Tax Relief	-	-	-	28,378	-	28,378
Government Grants	10,667	-	10,667	21,206	-	21,206
	<u>167,128</u>	<u>59,710</u>	<u>107,418</u>	<u>54,211</u>	<u>4,499</u>	<u>49,712</u>

Theatre Running Costs

Rent, Rates and Insurances	11,059	7,789
Heat, Light and Water	10,979	2,800
Printing, Stationery and Advertising	6,870	2,077
Telephone and Postage	972	792
Stage Equipment and Theatre Furnishings and Fittings	1,928	1,332
Bank Charges	277	182
Professional Fees	-	4,230
Accountancy Charges	1,200	1,200
Incidental Expenses	2,237	601
Cleaning Expenses	3,176	508
Repairs and Renewals	12,843	19,865
Depreciation of Fixed Assets	18,576	6,813
	<u>70,117</u>	<u>70,117</u>
		<u>48,189</u>
PROFIT FOR THE YEAR		<u><u>37,301</u></u>
		<u><u>1,523</u></u>