

**ALBANY THEATRE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

**ALBANY THEATRE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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for the year ended 31 March 2015**

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**ALBANY THEATRE TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number: 07929154 (England and Wales)

Charity number: 1151595

Directors: D.N. Meredith
Ms. D.E. Dodd – resigned 1 May 2015
L.P. Moore
D.E. Kershaw
D.S. Wanley – resigned 10 November 2014
J.E.J. Wadey
A. Hardy
Ms. C. Bryanston
Miss T. Coombs – appointed 12 May 2014
C.J. Beale – appointed 12 May 2014
A.C. Benfield – appointed 9 June 2014
C.D. Arnold – appointed 12 January 2015

Registered office: One Eastwood
Harry Weston Road
Binley Business Park
Coventry
West Midlands
CV3 2UB

Accountants: Dafferns LLP
Chartered Accountants
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

Bankers: The Co-operative Bank
P.O. Box 101
Balloon Street
Manchester
M60 4EP

**ALBANY THEATRE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
for the year ended 31 March 2015**

The directors present their report with the financial statements of the company for the year ended 31 March 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee incorporated on 30 January 2012 and governed by its Memorandum and Articles of Association. The company became a registered charity on 11 April 2013.

Recruitment and appointment of directors

The directors of the company are also the charity trustees for the purpose of Charity Law. Under the requirements of the Memorandum and Articles of Association one-third of the directors must retire and offer themselves for re-election at the Annual General Meeting.

The charity is administered by the Trustees, who meet regularly to review the management of the Trust. Day to day administration is carried out by L. Moore and D. Meredith.

The Trustees have considered the major risks to which the Charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

All Trustees give their time voluntarily and received no benefits from the charity.

OBJECTIVES AND ACTIVITIES

The Albany Theatre Trust exists to promote, maintain, improve and advance education by the encouragement of the arts including, without limitation, the arts of drama, mime, dance, singing and music.

The policy of the charity is to enrich the cultural life of Coventry, developing strategic partnerships across the city in order to become the creative focus for amateur, community and professional performance, which the charity perceives to be a vital component of the city's public and cultural life. We aim to contribute to the development and regeneration of Coventry, playing an active role in the community.

The charity remains committed to the provision of arts for all, and dedicated to the belief that arts, entertainment and cultural expression in a diversity of forms are a force for good in today's society in improving quality of life and providing opportunities for collective enjoyment, enlightenment, learning, reflection and celebration.

The charity aims to create opportunities for community participation with a focus on inclusion and quality, giving our audiences a well-balanced programme of activities and events, including professional performances, and striving to meet with excellence all the demands placed on a community theatre. To this end, the charity is increasingly successful at reflecting cultural diversity on our stage and actively seeking to reach those groups who are currently under-represented. Our programme now reflects our intention to offer local community groups, schools, colleges, universities and societies opportunities to create and perform their own work.

The most important consideration is to run the theatre efficiently, ensuring the long-term financial viability of the organisation. The Trust operates in a challenging financial environment and will prioritise the maintenance of reserve funds in accordance with its policy and will tailor its operations so that services are provided within a carefully managed budget, ensuring that prudent strategic decisions are taken where our limited finances are concerned.

**ALBANY THEATRE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
for the year ended 31 March 2015**

OBJECTIVES AND ACTIVITIES (cont'd)

Through all activities, the charity seeks to enhance the Theatre's reputation, developing good media relationships, maintaining a high local profile and becoming the city's voice for amateur performing arts. We support the development of our staff, be they paid or volunteer, ensuring an excellent working environment and aiming to be a model of good practice as an organisation.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENTS, PERFORMANCE AND FINANCIAL REVIEW

The results for the period and the financial position of the company are shown in the annexed financial statements.

The long term viability of the charity depends on our securing an acceptable theatre lease under the Section 106 Agreement. This has not been achieved. The Trust's concerns about the financial viability of the landlord, MCD (Coventry) Limited, were justified when the company went into receivership in September 2014. No buyer for the Earlsdon Park site, which includes the Albany Theatre building, has been found thus far. The Trust did not receive the landlord's statutory contribution to running costs in 2014 and at this point is not expecting it in 2015, a loss of over £55,000 that impacts severely on finances. To mitigate this loss of income the Trust has introduced a £1 per ticket non-voluntary levy and is exploring other fund-raising opportunities.

The theatre building celebrates its 80th birthday this year. Its age brings problems: there are many works required to bring the building up to standard that should be the responsibility of the landlord. As always, the Trust has to fund essential works in the absence of a landlord willing to take responsibility. This diverts finances away from development work in the arts and is a continuing frustration. Nevertheless, the Trust maintains strong financial controls to ensure we retain adequate reserves, and have sustained the employment of a full-time Theatre Manager.

In addition, the Trust has secured a grant of £38,775 from Coventry City Council, further evidence of their continued and highly valuable support. This funding is hypothecated for use to support the development of the Trust's growing community engagement programme in particular to seek out and build stronger relationships with minority groups to enhance the social reach and mix of volunteers, patrons and theatre users, and to enhance our marketing capacity in order to make more people aware of what the Albany Theatre Trust offers.

The range of events and use of the theatre grew significantly over the last year: the number of events and days the theatre was used by over 70%, our income from events by over 60% and our overall audience by over 50%. However, our average audience for all events (314) is only an increase of 2% compared to 2013-14; we aim to increase this.

The Programming Committee continues to develop the Albany Theatre's identity and reach into minority and under-represented groups. The funding support will aid this. We continue to provide opportunities for young people: use by schools is concentrated in our "Schools' Week" – which has grown to cover at least a fortnight. In the five-week period from Saturday 14 June 2014 over 1100 young people up to the age of 16 performed on the Albany stage.

**ALBANY THEATRE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
for the year ended 31 March 2015**

ACHIEVEMENTS, PERFORMANCE AND FINANCIAL REVIEW (cont'd)

The Trust has donated monies to charities (Myton Hospice and Baby Lifeline) and used funds to sponsor young people from disadvantaged backgrounds to take part in summer school activities.

Shifts in our charging policy have enabled us to reduce hire costs for community and school groups by transferring the burden to professional groups.

The Trust expressed the hope of appointing a Director with commercial property experience to help secure the outstanding lease; Clive Benfield, well known locally for his expertise in this area and for his support for charities, was appointed at the last AGM and has been an invaluable support over the difficult last twelve months. Diana Dodd, who has served the Trust faithfully and tirelessly since December 2012, stepped down on 1 May 2015. Her invaluable contribution to the Trust was celebrated at a short presentation ceremony.

The Directors' intention to establish the Albany as a mass membership organisation is steadily successful: the voting membership now stands at 39.

Last year, we noted that whilst the Trust aspires to employ a small team of key staff once revenue streams are secured the day to day running of the theatre will always depend on volunteers. This remains and will remain true. The volunteer structure has been strengthened, particularly since January when a Management Team, and Technical Team Leaders were established. All volunteers will in future be required to undergo a Disclosure and Barring Service check as appropriate.

The Trust faces significant financial challenges but will continue to ensure the charity's financial stability and security, where possible to renovate and improve the theatre infrastructure, but, as stated last year, most importantly our focus and priority remains the strengthening and development of our volunteer infrastructure to provide the best possible environment for volunteers to give their time and services in the most productive ways, and get the greatest enjoyment and satisfaction out of the experience. The Directors again pay tribute to each person who has given time, effort and expertise over the last twelve months.

RESERVES POLICY

The trustees have adopted the following reserves policy. They will aim to ensure that, at all times, the level of reserves is appropriate to the level of the Charity's activities.

The trustees will review annually the nature of the income and expenditure streams, the need to match variable income with fixed commitments, and the nature of the reserves in order to decide on the level of reserves required for the charity to be managed efficiently and to enable future services to remain uninterrupted.

Further reserves can be achieved through fundraising, one off grants and donations.

Use of reserves

Reserves are used to:

Protect the long term delivery and continuity of services.

Ensure the upkeep of the property and to help fund any major repairs/alterations required.

**ALBANY THEATRE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
for the year ended 31 March 2015**

Level/form of reserves

Trustees decide the level of reserves required.

The current aim of the Trust is to hold reserves of at least £75,000. This figure will be kept under review as the cost base of the Theatre increases.

Decisions on the use of reserves will be made by the Board.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

D.N. Meredith – DIRECTOR

Dated:

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ALBANY THEATRE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

I report on the accounts of the company for the year ended 31 March 2015 which are set out on pages 7 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable causes to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006 ; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities;have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

G.R. Cox BA FCA
Dafferns LLP
Chartered Accountants
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

Date:

**ALBANY THEATRE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the year ended 31 March 2015**

	<u>Notes</u>	<u>Unrestricted</u> £	<u>Restricted</u> £	<u>Total</u> <u>2015</u> £	<u>Total</u> <u>2014</u> £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income:					
Grants	2	38,775	-	38,775	66,525
Donations		305	-	305	5,447
Investment income		291	-	291	165
General fundraising		-	-	-	165
Other income		390	-	390	22,072
Incoming resources from charitable activities					
Operation of theatre	3	151,973	-	151,973	99,323
Total incoming resources		<u>191,734</u>	<u>-</u>	<u>191,734</u>	<u>193,697</u>
RESOURCES EXPENDED					
Charitable activities:					
Operation of theatre	4	182,694	-	182,694	137,857
Governance costs	5	1,650	-	1,650	1,650
Total resources expended		<u>184,344</u>	<u>-</u>	<u>184,344</u>	<u>139,507</u>
Net incoming resources/net income for the period before transfers		7,390	-	7,390	54,190
Transfer between funds		-	-	-	-
Net movement in funds		7,390	-	7,390	54,190
Reconciliation of funds					
Total funds brought forward		70,895	-	70,895	16,705
Total funds carried forward		<u>78,285</u>	<u>-</u>	<u>78,285</u>	<u>70,895</u>

All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements

**ALBANY THEATRE TRUST
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Registered No. 07929154

**BALANCE SHEET
31 March 2015**

	<u>Notes</u>	£	<u>2015</u>	£	<u>2014</u>	£
FIXED ASSETS						
Tangible assets	8			14,291		24,798
CURRENT ASSETS						
Stock	9	786			1,000	
Debtors	10	14,187			31,485	
Cash at bank and in hand		143,000			109,481	
			—————		—————	
			157,973		141,966	
LIABILITIES						
Creditors falling due within one year	11	(93,979)			(95,869)	
			—————		—————	
NET CURRENT ASSETS				63,994		46,097
NET ASSETS				—————		—————
				78,285		70,895
				=====		=====
FUNDS						
Unrestricted income fund				78,285		70,895
				=====		=====

The directors are satisfied that the company was entitled to exemption under Section 477 of the Companies Act 2006 and that members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006.
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

ON BEHALF OF THE BOARD:

D.N. Meredith - DIRECTOR

L. Moore - DIRECTOR

Approved by the Board on

The notes form part of these financial statements

**ALBANY THEATRE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2015**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with Accounting and Reporting by Charities - Statement of Recommended Practice (SORP 2005), the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

Incoming resources

All incoming resources are accounted for when the charity has entitlement to the funds, certainty of receipt and the amount is measurable. Where income is received in advance of a performance or other specified service it is deferred until the charity is entitled to that income.

Fund accounting

Unrestricted funds are available to use to further any purpose of the charity.

Resources expended and irrecoverable VAT

All resources expended are recognised once a legal or constructive obligation to make a payment to a third party exists.

Charitable activities include the direct costs of performances and operating expenses of the theatre.

Governance costs represent those costs of the strategic management of the charity and of complying with constitutional and statutory requirements.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Tangible fixed assets

Fixed assets are capitalised at cost and are depreciated on a straight line basis over their estimated useful lives as follows:-

Equipment 3 years

Stocks

Bar stocks are included at the lower of cost and net realisable value

	<u>2015</u>	<u>2014</u>
	£	£
2. GRANTS RECEIVED		
Coventry City Council	38,775	38,775
MCD (Coventry) Limited	-	27,750
	<u>38,775</u>	<u>66,525</u>
3. THEATRE INCOME		
Ticket sales and box office	2,298	1,485
Theatre hire	99,720	68,185
Technical staff and other recharges	2,751	2,950
Ticket levy	2,354	-
Bar income	34,697	22,717
Ice cream sales	9,012	3,986
Tuck shop sales	1,141	-
	<u>151,973</u>	<u>99,323</u>

**ALBANY THEATRE TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2015**

4. OPERATION OF THEATRE	<u>2015</u> £	<u>2014</u> £
Bar purchases	24,877	15,379
Ice cream purchases	4,107	1,914
Tuck shop purchases	430	-
Direct show costs	3,116	9,677
Operating expenses :		
Establishment	50,297	54,597
Consultancy and staff costs	29,713	3,870
Marketing and website	15,328	3,667
Communication and IT	3,815	4,189
Electrics repairs and maintenance	30,734	27,900
Building work and security	5,924	5,193
Legal and surveyors fee	-	(194)
Sundries	1,739	745
Depreciation	11,514	8,740
Sponsorship	1,100	2,180
	<u>182,694</u>	<u>137,857</u>
	<u>182,694</u>	<u>137,857</u>
5. GOVERNANCE COSTS		
Accountancy and Examination fees	1,650	1,650
	<u>1,650</u>	<u>1,650</u>
	<u>1,650</u>	<u>1,650</u>
6. DIRECTORS REMUNERATION		
No director/trustee received any remuneration or reimbursed expenses during the year to 31 March 2015.		
7. EMPLOYEE EMOLUMENTS	<u>2015</u> £	<u>2014</u> £
Wages and Salaries	22,509	-
National Insurance Contributions	-	-
Pension contributions	-	-
	<u>22,509</u>	<u>-</u>
	<u>22,509</u>	<u>-</u>
Average number of staff	<u>1</u>	<u>-</u>
	<u>1</u>	<u>-</u>
No employee received remuneration of £60,000 or more.		

**ALBANY THEATRE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2015**

8. FIXED ASSETS		Equipment £
Cost		
At 1 April 2014		34,158
Additions		1,007
		<hr/>
31 March 2015		<u>35,165</u>
 Depreciation		
At 1 April 2014		9,360
Charge for year		11,514
		<hr/>
At 31 March 2015		<u>20,874</u>
 Net Book Value		
At 31 March 2015		<u>14,291</u>
		<hr/>
At 31 March 2014		<u>24,798</u>
		<hr/>
	<u>2015</u>	<u>2014</u>
	£	£
9. STOCK		
Bar stock	786	1,000
	<hr/>	<hr/>
	<hr/>	<hr/>
10. DEBTORS		
Trade debtors	2,211	27,971
Prepayments and accrued income	11,976	3,514
	<hr/>	<hr/>
	<u>14,187</u>	<u>31,485</u>
	<hr/>	<hr/>
11. CREDITORS FALLING DUE WITHIN ONE YEAR		
Trade creditors	46,421	9,805
Other creditors	1,507	20,396
Accruals and deferred income	46,051	65,668
	<hr/>	<hr/>
	<u>93,979</u>	<u>95,869</u>
	<hr/>	<hr/>
12. CAPITAL COMMITMENT		
At the year end 31 March 2015 the charity had capital commitments of £9,600 (2014: £nil).		
13. ULTIMATE CONTROLLING PARTY		
The charity is under the control of its Board of directors/trustees.		