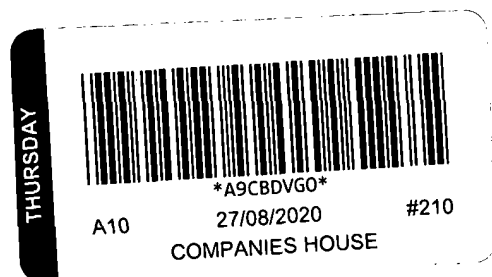


Charity Registration No. 1129316

Company Registration No. 05697760 (England and Wales)

THEATRE IN THE QUARTER LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



THEATRE IN THE QUARTER LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S A Buttifant N K Dykes Mr J R Fryett V J Griffiths Pearson A T Jones B C Pearson
Secretary	A T Jones
Charity number	1129316
Company number	05697760
Registered office	2 Vicars Lane Chester Cheshire CH1 1QU
Independent examiner	McLintocks (NW) Limited 2 Hilliards Court Chester Business Park Chester Cheshire CH4 9PX

THEATRE IN THE QUARTER LIMITED

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THEATRE IN THE QUARTER LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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)".

Objectives and activities

The charity's objects are to promote, maintain, improve and advance education particularly by the production of plays and the encouragement of the arts of drama, music, singing and dance.

In shaping its objectives for the year and planning its activities, the trustees have considered the Charity Commission's Guidance on public benefit, including the guidance on public benefit and fee charging. The theatre relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of the theatre for those on low incomes.

The strategies employed to achieve the aims and objectives are to:

- present a broad range of theatre productions for the enjoyment and education of the local community;
- offer opportunities for a broad range of people to get involved in arts activity;
- provide facilities for artists to develop

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Significant Activities

Once again, funding difficulties precluded any fully professional adult productions. However, our work with young people and communities has continued unabated. Our three young people's companies – Jigsaw, ReWind and Quartz – continued to flourish and staged successful performances throughout the year. Jigsaw created and presented *The Giant Jam Sandwich*, *The Day War Came*; Rewind *The Mystery Express*, and Quartz held a series of weekly workshops. Planned productions for early 2020 had to be abandoned due to the Covid 19 pandemic. The lockdown also forced the cancellation of the Chester City Passion.

Charitable Activities

Encouraging public participation in the arts lies at the heart of Theatre in the Quarter's ethos. In 2020, the pandemic and lockdown presented obvious difficulties in this respect. The Chester City Passion, a large scale community event staged in the city's streets had to be cancelled as did other activities, including a planned performance of *The Day War Came*, highlighting the plight of children caught up in war, at the No Outsiders Conference. We have continued to engage people and create new work via video during the lockdown.

Financial review

The financial results for the year are shown in the Statement of Financial Activities. Income for the year has decreased to £29,886. Expenditure has also decreased to £17,561. This has resulted in net income for the year of £12,325. There are total unrestricted funds of £30,894 and total restricted funds of £18,436 at the year end.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

THEATRE IN THE QUARTER LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a company limited by guarantee, the charity is controlled by its governing document, a deed of trust.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

S A Buttifant
N K Dykes
Mr J R Fryett
V J Griffiths Pearson
A T Jones
B C Pearson

Recruitment and appointment of new trustees

Trustees are appointed by the members at a general meeting as and when new or replacement skills are required. During the year two trustees stood down at the Annual General Meeting and were re-elected.

Organisational structure

The board of trustees is elected by the annual general meeting. The board meets four to six times a year and more frequently as required. The board carries full responsibility for the organisation delegating day to day management of activities to its artistic director and business manager.

The trustees' report was approved by the Board of Trustees.



B C Pearson
Trustee

Dated: 22 July 2020

THEATRE IN THE QUARTER LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THEATRE IN THE QUARTER LIMITED

I report to the trustees on my examination of the financial statements of Theatre In The Quarter Limited (the charity) for the year ended 31 March 2020.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Caroline Blake FCCA
McLintocks (NW) Limited
2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9PX

Dated: 22 July 2020

THEATRE IN THE QUARTER LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Income from:					
Donations and legacies	2	5,904	2,000	7,904	9,720
Charitable activities	3	-	21,886	21,886	37,615
Investments	4	96	-	96	-
Total income		6,000	23,886	29,886	47,335
Expenditure on:					
Charitable activities	5	670	16,891	17,561	67,118
Net income/(expenditure) for the year/ Net movement in funds		5,330	6,995	12,325	(19,783)
Fund balances at 1 April 2019		25,564	11,441	37,005	56,789
Fund balances at 31 March 2020		30,894	18,436	49,330	37,006

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.

THEATRE IN THE QUARTER LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	9		1		1
Current assets					
Cash at bank and in hand		49,329		37,005	
Net current assets			49,329		37,005
Total assets less current liabilities			49,330		37,006
Income funds					
Restricted funds	10		18,436		11,442
Unrestricted funds			30,894		25,564
			49,330		37,006


The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements 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 incoming resources and application of resources, including its income and expenditure, for the 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.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22 July 2020


B C Pearson
Trustee

Company Registration No. 05697760

THEATRE IN THE QUARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

Theatre In The Quarter Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Vicars Lane, Chester, Cheshire, CH1 1QU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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.

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.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

THEATRE IN THE QUARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, 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:

Plant and equipment 20% on cost

1.7 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.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2020 £	2020 £	2020 £	2019 £
Donations	5,904	2,000	7,904	9,720
For the year ended 31 March 2019	<u>220</u>	<u>9,500</u>		<u>9,720</u>

THEATRE IN THE QUARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

3 Charitable activities

	Theatre production 2020 £	Theatre production 2019 £
Tickets and programmes	11,886	23,635
Grants	10,000	13,980
	<u>21,886</u>	<u>37,615</u>
Analysis by fund		
Unrestricted funds	-	10,637
Restricted funds	<u>21,886</u>	<u>26,978</u>
For the year ended 31 March 2019		
Unrestricted funds	10,637	
Restricted funds	<u>26,978</u>	
	<u>37,615</u>	

4 Investments

	Unrestricted funds 2020 £	Total 2019 £
Interest receivable	<u>96</u>	<u>-</u>

THEATRE IN THE QUARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

5 Charitable activities

	Theatre production 2020 £	Theatre production 2019 £
Insurance	911	911
Advertising	181	-
Production team fees	15,799	56,525
Production costs	-	9,223
	<u>16,891</u>	<u>66,659</u>
Share of support costs (see note 6)	100	9
Share of governance costs (see note 6)	570	450
	<u>17,561</u>	<u>67,118</u>
Analysis by fund		
Unrestricted funds	670	32,150
Restricted funds	16,891	34,968
	<u>17,561</u>	<u>67,118</u>
For the year ended 31 March 2019		
Unrestricted funds	32,150	
Restricted funds	34,968	
	<u>67,118</u>	

6 Support costs

	Support costs £	Governance costs £	2020 £	2019 £
Bank charges	-	-	-	9
Website Costs	100	-	100	-
Accountancy	-	570	570	450
	<u>100</u>	<u>570</u>	<u>670</u>	<u>459</u>
Analysed between Charitable activities	<u>100</u>	<u>570</u>	<u>670</u>	<u>459</u>

Governance costs includes payments to the independent examiners of £475 (2019- £450).

THEATRE IN THE QUARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

There were no employees during the year.

9 Tangible fixed assets

	Plant and equipment £
Cost	
At 1 April 2019	2,950
At 31 March 2020	<u>2,950</u>
Depreciation and impairment	
At 1 April 2019	2,949
At 31 March 2020	<u>2,949</u>
Carrying amount	
At 31 March 2020	<u>1</u>
At 31 March 2019	<u>1</u>

THEATRE IN THE QUARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

10 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 2018	Movement in funds			Balance at 1 April 2019	Movement in funds		Balance at 31 March 2020
		Income	Expenditure	Transfers		Income	Expenditure	
	£	£	£	£	£	£	£	£
Jigsaw music theatre	386	12,999	(12,105)	-	1,280	11,886	(12,945)	221
Restricted grants	16,674	-	(384)	(7,128)	9,162	-	-	9,162
Music Society	-	1,000	-	-	1,000	-	-	1,000
Arts Council	-	11,100	(11,100)	-	-	-	-	-
Chester West and Cheshire Council	-	2,880	(2,880)	-	-	10,000	(3,946)	6,054
D Oily Carte	-	3,500	(3,500)	-	-	-	-	-
Foyle Foundation	-	5,000	(5,000)	-	-	-	-	-
Earl of Chester	-	-	-	-	-	2,000	-	2,000
DIFFERENCE TO ANALYSE	-	-	-	-	-	-	-	-
	<u>17,060</u>	<u>36,479</u>	<u>(34,969)</u>	<u>(7,128)</u>	<u>11,441</u>	<u>23,886</u>	<u>(16,891)</u>	<u>18,436</u>

The restricted income from the Arts Council and Chester West and Cheshire Council were used on the programme of theatre productions and activities agreed to be performed in the period.

The restricted income received in 2017 from New Homes Bonus administered by Cheshire West and Cheshire Council was for seating and lighting at St Marys Creative space . Of the sum of money received £9,161.97 is carried forward .

The restricted income received in 2018 from the Music Society was for improvements to St Mary's. Of the sum of money received £1000.00 is carried forward.

The grant of £5,000 from The Foyle Foundation received 05/10/2018. was spent as intended on the Walk My Journey project.

The sum of £2,000.00 was received from The ~Earl of Chester for Seating and Lighting for St Mary's, this amount is carried forward.

THEATRE IN THE QUARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

11 Analysis of net assets between funds

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Fund balances at 31 March 2020 are represented by:				
Tangible assets	1	-	1	1
Current assets/(liabilities)	30,893	18,436	49,329	37,005
	<u>30,894</u>	<u>18,436</u>	<u>49,330</u>	<u>37,006</u>

12 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).