

**Company number 07907370**  
**Charity number 1147048**

**Reading Repertory Theatre**

**(Limited by Guarantee)**

**Report and Financial Statements**

**for the year ended 31 July 2020**

**Breckman & Company Ltd**  
**Chartered Certified Accountants**  
**49 South Molton Street**  
**London W1K 5LH**

# Reading Repertory Theatre

(Limited by Guarantee)

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## **Reading Repertory Theatre**

**(Limited by Guarantee)**

### **Reference and Administrative Details**

#### **Constitution**

The company is a private company limited by guarantee registered in EW - England and Wales, company number 07907370, incorporated under the Companies Act and its governing document is its Memorandum and Articles of Association. The company is a registered charity, number 1147048.

#### **Directors and trustees**

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association the trustees are appointed by members of Reading Repertory Theatre at our Annual General Meeting (AGM) or by postal vote.

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated indirectly into the regular trustees meetings.

The trustees throughout the year and since the year end, were :

Alan Stacey - Chair

Suzanne Stallard Hall - Vice Chair

Piers Elliot

Jonathan Holley

Paul Newman

Alexandra Dewis

Natasha Ratter

#### **Secretary**

Yolande Box

#### **Chief executive/day to day management**

Paul Stacey

#### **Independent examiners**

Breckman & Company Ltd, Chartered Certified Accountants, 49 South Molton Street, London W1K 5LH.

#### **Bankers**

Barclays Bank plc, 90-93 Broad Street, Reading RG1 2AP.

#### **Registered office and operation address**

Reading Rep Theatre c/o Reading College, Kings Road, Reading RG1 4HJ.

## **Reading Repertory Theatre**

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### **Trustees' Report**

The trustees present their annual report together with the financial statements of the charity for the year ended 31 July 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The reference and administrative details set out on page 1 forms part of this report. The financial statements comply with Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association 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).

#### **Principal activity**

Reading Rep Theatre exists to ensure that everyone in Reading, and especially those with least opportunity, can access high quality theatre and culture. Our mission is to strengthen the communities we serve by making work with, by and for Reading.

#### **Structure, governance and management**

##### Organisational structure

The company is run and managed on a day-to-day basis by the Artistic Director and CEO. Decisions are made on a day-to-day management basis through management meetings held by the employees. All major decisions are confirmed quarterly through the Board of Trustees.

In the event of the departure of a trustee, a skills audit of the remaining trustees is taken. The result of this audit will determine whether further recruitment is necessary. When a need has been identified to recruit trustees, the Artistic Director and Vice-Chair will manage the process. Responsibility for recruiting trustees will not be delegated to other employees, although employees may be given specific administrative tasks relating to this recruitment. Trustee training and development is undertaken at the discretion of the Chair, based on the requirements of the company at any given time.

The company has a trustee induction pack to facilitate the recruitment and development process.

##### Related charities

There are no legally related charities. The company is working with different funding bodies and organisations all concerned with promoting the arts and education. Decisions taken by the company are autonomous of these organisations.

##### Major risks

The Trustees have conducted a risk analysis to identify the major risks to which the company is exposed. Systems have been put in place to mitigate these risks whereby the risks are reviewed quarterly via the company's risk register.

#### **Objectives and activities for the public benefit**

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit : running a charity (PB2).

Reading Rep strives to be a regional theatre with a national reputation.

Reading's resident professional theatre combines high-class productions with ground-breaking education and community engagement to help transform Reading and the surrounding area's cultural landscape.

Reading Rep:

Produces diverse new voices on the stage. Working with new directors, new playwrights and new practitioners, we present plays from classics to new writing, revivals to musicals; producing outstanding productions of world class plays for the widest possible audience.

## **Reading Repertory Theatre**

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### **Trustees' Report**

Nurtures diverse new voices in the classroom. Through our Creative Learning programmes we train the next generation of theatre makers: transforming arts education in the UK by placing enterprise, experience and employability at its centre.

Reaches diverse new voices in the community. Through our ENGAGE programme we work alongside the most disadvantaged and marginalised communities in Reading to promote inclusion and accessibility in the arts.

#### **Personnel:**

Paul Stacey: Artistic Director and CEO Full time

Nick Thompson: Executive Director Full time

Christie O'Carroll: Associate Director Full time

Sandra Larkins: Finance Officer Part time

Staff for productions and education workshops - Freelance

### **Achievements and performance**

#### **Artistic**

The 2019/2020 year has been rewarding and challenging, given the impact of COVID-19 in March 2020. The primary focus of Reading Rep throughout this period was realising its ongoing capital campaign.

We were delighted however to be able to continue the company's reputation for creating outstanding work for children at Christmas time. Reading Rep produced THE NUTCRACKER aimed at 4 - 10 year olds in co-production with Reading Libraries. The production sold at 110% and was extraordinarily well received. The production was again directed by Helen Eastman and starred a talented ensemble of actor musicians. It also served to cement the Reading Rep and Reading Libraries partnership that was established for ALBY and A NEW COAT FOR CHRISTMAS in previous years. The Libraries are a branch of Reading Borough Council and thus this is an important and on-going strategic partnership for Reading Rep as we look to establish our reputation as one of the regions leading cultural institutions, by contributing toward the local authority's 2030 Cultural and Heritage Strategy.

Our focus on the capital project meant that, aside from THE NUTCRACKER, we didn't produce any other plays. We did, however, continue our ENGAGE programme. Despite the challenges of the latter half of the year, Reading Rep managed to reach nearly 7,000 people through our artistic and participatory programmes. We worked hard to shift our practice from engaging with our local community face to face, to sole delivery online and then to a blended model of face to face and online delivery. We were able to adjust our offers quickly and in accordance with Government guidelines.

We strengthened our relationship with Reading Libraries through continued delivery in all libraries throughout Reading, as well as providing Continued Professional Development for libraries staff. However, one lockdown was announced our activity for early years paused as the Libraries closed. We did however take the opportunity to develop the infrastructure of our relationship with Reading Libraries and look forward to building on the strengths of it in the coming years.

Continuing our partnership with the libraries, we delivered workshops promoting literacy and oracy in local schools, wrapped around our Christmas show, which all participating schools attended. Through funding from the Heritage Lottery, we also delivered a special project looking at Reading's history. Once lockdown was announced we published a free education pack on our website to help parents providing education from home.

## **Reading Repertory Theatre**

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### **Trustees' Report**

We continued to work in partnership with Activate Learning, delivering 12 hours of vocational teaching time with 63 students. Having received funding from Thames Valley Police Proceeds of Crime fund and continuing our partnership with Soulscape, we provided all students with over 30 hours of work experience. Once lockdown was announced, we immediately began working with students online. We continued with our Arts Award delivery through offering Gold Awards as well as mentoring other arts organisations in the South East to embed Arts Award in their practice. We continue to sit on Reading's Cultural Education Partnership.

Through Reading Borough Council's Cultural Commissioning programme and our growing relationship with Brighter Futures for Children, we were able to run youth theatre classes for neurotypical and neurodiverse children and young people. Having identified neurodiverse young people as a group who would struggle during lockdown, we successfully piloted online drama sessions. This not only gave our participants a creative outlet as well as providing respite for families.

Our funding from Reading Borough Council was extended to allow us to deliver weekly workshops with vulnerable women. Weekly sessions in partnership with the NHS, Purley Park Trust and Alana House continued as well as work with a new partner, Talk Back, which was funded by the Heritage Lottery and delivered in partnership with Reading Museum. Once lockdown was announced, most of these sessions had to pause, however we worked with Paines Plough and the NHS to provide telephone play readings for those in hospitals as part of the national Come To Where I Am project.

We are proud that we were able to deliver such significant ENGAGE projects through this period and are extremely grateful to the many funders that allowed this to happen, including: the Garfield Weston Foundation, The Ironmongers' Company, the Backstage Trust, the Berkshire Community Fund, the Edward Gostling Foundation and most significantly the National Lottery Community Fund who have committed to funding ENGAGE for the next four years.

Our ability to successfully deliver our ENGAGE programme was unfortunately scuppered by Coronavirus and the capital project because we were not able to embed the participatory projects as part of our productions - as has become Reading Rep's raison d'etre. ENGAGE has become the backbone of everything that we do. It underpins all of our projects and informs our audience development strategy, fundraising strategy, executive strategy, diversity strategy, and most important our artistic strategy. We look forward unveiling these plans next year. We were, however, able to make significant strides toward opening Reading's first and only cultural and community hub.

### **Capital Project**

The overwhelming success of previous seasons of work underlined the importance of the company operating its own venue, and throughout this period Reading Rep made major strides to secure its own space.

In September of 2018, after negotiating with the college that owned it, Reading Rep were presented with a unique opportunity to renovate an existing Salvation Army building and turn it into a new theatre and arts centre to transform Reading's cultural landscape. Reading Rep negotiated a 10-year rent-free lease, a £50,000 contribution to kick-start the project, and launched an ambitious capital campaign to raise £450,000. At this juncture the company wrote to the Backstage Trust for support and were awarded a £10,000 grant to pay the salary of a freelance Fundraising Consultant.

## **Reading Repertory Theatre**

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### **Trustees' Report**

Toward the end of the summer of 2019 Reading Rep secured one significant bid from The Mosawi Foundation for £120,000. This contribution was followed by the Bernard Sunley Foundation (£20,000), the Earley Charity (£50,000) and The Syder Foundation (£50,000). The early funding successes meant that Reading Rep were able to continue to build momentum. Arts Council England reversed their decision and the Linbury Trust pledged £20,000. Further smaller scale contributions meant that Reading Rep reached its £450,000 target by the end of 2019. Building work started in mid-February, ready to open in the summer of 2020.

In March of 2020 the organisation was fortunate that the capital project had started, and construction work could continue. As a result, while there have been significant delays, we were able to continue to refine and develop our plans and continue to fundraise.

#### **Plans for future periods**

The COVID-19 pandemic has created an unstable future for the entire sector. Coronavirus has forced us to delay the capital project and we do not envisage opening till June of 2021. Having raised the vast majority of the necessary funds to build the new venue throughout this financial year, Reading Rep will be able continue building work throughout the pandemic without significant financial risk.

The company has taken the decision not to take on any new staff, but instead to streamline its financial commitments and focus exclusively on finishing the capital project and opening the new venue when the pandemic eventually subsides. This has saved a substantial amount of money and significantly reduced our financial exposure. In April 2021 the organisation took the step to cancel future productions and there are no plans to stage any in the near future until the climate allows.

The company will focus on developing the infrastructure necessary to open and launch its new venue. The pandemic will inevitably restrict our ability to produce work in the coming months and we will use this time to develop robust HR and administration policies and procedures so that the company can grow into its new venue when the time is right. This includes investment in a new website, Specktrix (a new box office and CRM system) as well as finance and payroll software.

Reading Rep also plans to continue its ENGAGE work throughout the pandemic. Coronavirus has had devastating consequences on the mental health of children, young people and vulnerable adults and we will continue to run a variety of programmes both online and in the community.

Following on from our successful online pilot, all weekly youth theatre sessions will be delivered online for free. We will deliver a face to face summer and October school for neurodiverse children and young people, where they will also have the opportunity to work towards their Discover or Explore Arts Awards. We will continue to work with Activate Learning to deliver 12 hours of vocational teaching per week, as well as working with all students on an exciting work experience project, where they will perform as part of Reading UK's Twilight Trail. Having been selected to be a part of the final year of Reading Borough Council's Cultural Commissioning programme, we will be working with PACT and Rahab to deliver drama workshops for vulnerable women.

## Reading Repertory Theatre

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### Trustees' Report

#### Financial and executive review

Reading Rep's board has now stabilised to include a range of strengths. Alan Stacey, the Executive Director of Headlong Theatre Company, remains as Chair. Suzanne Stallard, Founding Director of Jelly, continues to act as Vice-Chair. Jonathan Holley has brought a wealth of experience from the financial and communications sector, Paul Newman continues to bring his expertise educationally and Piers Elliot's legal background has proved enormously beneficial as Reading Rep continues to grow. Alexandra Dewis has joined the Board with expertise in marketing, branding and PR, and Natasha Ratter brings a wealth of fundraising experience with her from the Natural History Museum.

We were delighted to appoint Nick Thompson as Executive Director throughout this period. Nick brings with him a wealth of producing experience, as well as venue management from the commercial and subsidised sector. This appointment allowed Reading Rep to continue to build on its impressive track record of producing work in house, while allowing the existing artistic director more time to focus on the project management of the fundraising and capital campaign. Further to this we were delighted to appoint Sandra Larkins as Finance Officer throughout this period to support the development and growth of the organisation.

All of Reading Rep's policies and procedures are now in place. We have achieved a Safe and Sound qualification that recognises good governance in small charities. Since its establishment in 2012, Reading Rep has consistently demonstrated strong financial growth with a turnover for the 2019/20 year of over £600,000.

This has been sustained by successfully pursuing a diverse income portfolio of trusts, foundations, statutory and Arts Council England (ACE) funding, alongside box office and schools/youth theatre work. The new theatre will significantly enhance Reading Rep's long-term sustainability by increasing earned income from the box office, bar, youth/education programmes and hires.

Risks are mitigated through a system of checks and balances as set out in our financial procedures, specifically sections Fraud Risk Management, Financial Transaction Cards, and Authority to Make Payments. In addition, in-house accounting is completed on a weekly basis using Xero accounting software, to ensure that understanding of cash flow and status of current budgets is up to date and accurate for all necessary staff and trustees.

#### Reserves policy

It is the Trustees' intention to maintain general reserves to a figure that represents three months' operating expenditure. This year, our turnover was £704,339. We estimate 3 months operating costs to be circa £60,000. Our restricted and unrestricted reserves now stand at £515,889, £108,314 of which is unrestricted. While it is our intention to maintain this level of unrestricted reserves as a contingency for our growth plans, it has been acknowledged that this might not be possible given the ambitious capital project. As such the Reading Rep Board of Trustees has approved spending for the 2020/21 financial year, so long as unrestricted reserves do not fall below £30,000.



**Reading Repertory Theatre**

**(Limited by Guarantee)**

**Trustees' Report**

**Small company exemptions**

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

This report was approved by the Board of Trustees on 24 March 2021 and signed on its behalf by



[Alan Stacey \(Mar 29, 2021 12:35 GMT+1\)](#)

**Alan Stacey - Chair  
Trustee**

## **Independent Examiner's Report to the Trustees of Reading Repertory Theatre**

I report on the accounts of the company for the year ended 31 July 2020, which are set out on pages 9 to 24.

### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The 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 an 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.

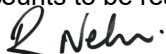
### **Basis of independent examiner's report**

My examination was carried out in accordance with 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 cause 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, 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 Charitieshave 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.



**Richard Nelson FCCA**  
**Breckman & Company Ltd**  
**Chartered Certified Accountants**

49 South Molton Street  
London W1K 5LH

24 March 2021

**Reading Repertory Theatre**

(Limited by Guarantee)

**Statement of Financial Activities (including Income and Expenditure Account)  
for the year ended 31 July 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total £	Unrestricted funds £	Restricted funds £	2019 Total £
<b>Income and endowments from:</b>	<b>2</b>						
Donations and legacies - page 10		242,932	22,200	265,132	48,122	6,475	54,597
Charitable activities							
Theatre - pages 10 - 11		68,196	355,900	424,096	143,573	74,965	218,538
Other - Theatre Tax Relief		15,111	-	15,111	-	-	-
<b>Total</b>		<u>326,239</u>	<u>378,100</u>	<u>704,339</u>	<u>191,695</u>	<u>81,440</u>	<u>273,135</u>
<b>Expenditure on:</b>							
Charitable activities:							
Theatre - page 12		269,729	-	269,729	150,432	87,998	238,430
<b>Total</b>		<u>269,729</u>	<u>-</u>	<u>269,729</u>	<u>150,432</u>	<u>87,998</u>	<u>238,430</u>
<b>Net income / (expenditure)</b>	<b>3</b>	56,510	378,100	434,610	41,263	(6,558)	34,705
<b>Reconciliation of funds:</b>							
<b>Total funds brought forward</b>		51,804	29,475	81,279	10,541	36,033	46,574
<b>Total funds carried forward</b>	<b>11, 12</b>	<u>108,314</u>	<u>407,575</u>	<u>515,889</u>	<u>51,804</u>	<u>29,475</u>	<u>81,279</u>

The notes on pages 16 to 24 form an integral part of these financial statements.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

Reading Repertory Theatre

(Limited by Guarantee)

Year ended 31 July 2020

	2020 £	2019 £
<b>Income from donations and legacies</b>		
<b>Grants</b>		
ACE - Organisational Development	31,500	-
The Backstage Trust	40,000	-
National Lottery Community Fund	42,500	-
Postcode Community Trust	19,832	-
	<u>133,832</u>	<u>-</u>
<b>Donations</b>		
Donations (unrestricted)	8,600	112
In-kind	100,500	48,010
Donations (restricted)	22,200	6,475
	<u>265,132</u>	<u>54,597</u>
<b>Income from charitable activities</b>		
<b>Theatre income</b>		
Tickets	3,992	12,403
Fees	37,071	34,928
Bar sales	92	281
Reading Studio	-	4,159
Guarantees/co-production income	19,900	88,652
Workshops	1,610	-
Other income	5,531	3,150
	<u>68,196</u>	<u>143,573</u>

## Reading Repertory Theatre

(Limited by Guarantee)

	2020	2019
	£	£
<b>Project specific funding</b>		
<b>Grants/donations</b>		
ACE - Capital Project	70,900	-
Bernard Sunley Foundation	20,000	-
Christina Smith Foundation	40,000	-
RG Spaces	10,000	-
The Earley Charity	50,000	-
The Linbury Trust	20,000	-
The Mossawi Foundation	120,000	-
The Syder Foundation	25,000	-
29 May Charitable Trust	-	8,000
Turners Court	-	1,100
Garfield Weston Foundation	-	20,000
Cultural Commissioning	-	10,000
Berkshire Community Foundation	-	9,565
Artwork	-	1,500
Backstage Trust	-	10,000
Englefield Trust	-	5,000
National Heritage	-	9,800
	355,900	74,965
	355,900	74,965

**Reading Repertory Theatre**

**(Limited by Guarantee)**

**Year ended 31 July 2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Expenditure on charitable activities</b>		
<b>Theatre</b>		
<b>Production/project costs</b>		
Production costs	12,444	91,891
Salaries in-kind	-	27,630
Fees: cast/creatives/education/outreach	135,821	83,320
Education grant expenses	-	9,798
Insurance	-	1,037
	<hr/>	<hr/>
	148,265	213,676
Support costs - page 13	114,358	22,054
Governance costs - page 13	7,106	2,700
	<hr/>	<hr/>
	<u>269,729</u>	<u>238,430</u>

Reading Repertory Theatre

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Year ended 31 July 2020

	2020		2019	
	£	£	£	£
<b>Support and governance costs</b>				
<b>Support costs</b>				
<b>Office overheads</b>				
Rent/services in-kind	70,500		12,000	
Insurance	689		-	
IT/equipment	2,236		-	
Depreciation of computer equipment	325		-	
	<u>          </u>	73,750	<u>          </u>	12,000
<b>Administration costs</b>				
Salaries/salaries-in-kind	840		8,380	
Staff training	195		-	
Travel/transport	401		-	
Entertaining	204		-	
Advertising	4,984		-	
Subscriptions/licences	111		1,468	
Sundries	776		206	
	<u>          </u>	7,511	<u>          </u>	10,054
<b>Professional/financial</b>				
Consultancy fees	3,000		-	
Legal/professional in-kind	30,000		-	
Bank charges	97		-	
	<u>          </u>	33,097	<u>          </u>	-
		<u>114,358</u>		<u>22,054</u>
<b>Governance costs</b>				
Accountancy/consultancy	4,158		2,700	
Bookkeeping	2,586		-	
Trustee expenses	362		-	
	<u>          </u>	7,106	<u>          </u>	2,700
		<u>121,464</u>		<u>24,754</u>

**Reading Repertory Theatre**

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**Balance Sheet  
31 July 2020**

		2020		2019	
Notes	£	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7		213,076		16,343
<b>Current assets</b>					
Debtors	8	69,507		22,879	
Cash at bank and in hand		317,241		44,699	
		386,748		67,578	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	9	(83,935)		(2,642)	
<b>Net current assets</b>			302,813		64,936
<b>Total assets less current liabilities</b>			515,889		81,279
<b>The funds of the charity:</b>					
Unrestricted funds	11		108,314		51,804
Restricted funds	12		407,575		29,475
Total charity funds			515,889		81,279

For the year ending 31 July 2020 the company 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 company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

The accounts were approved by the Board of Trustees on 24 March 2021 and signed on its behalf by



Alan Stacey (Mar 29, 2021 12:35 GMT+1)

**Alan Stacey - Chair  
Trustee**



Suzanne Stallard Hall (Mar 29, 2021 12:57 GMT+1)

**Suzanne Stallard Hall - Vice Chair  
Trustee**

The notes on pages 16 to 24 form an integral part of these financial statements.



**Reading Repertory Theatre**  
**(Limited by Guarantee)**  
**Cash Flow Statement**  
**for the year ended 31 July 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>	<b>17</b>	<u>469,600</u>	<u>50,605</u>
<b>Cash flows from investing activities:</b>			
Purchase of property, plant and equipment		<u>(197,058)</u>	<u>(16,343)</u>
<b>Net cash provided by investment activities</b>		<u>(197,058)</u>	<u>(16,343)</u>
Change in cash and cash equivalents in the reporting period		272,542	34,262
Cash and cash equivalents at the beginning of the reporting period		44,699	10,437
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>317,241</u></u>	<u><u>44,699</u></u>

## Reading Repertory Theatre

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### Notes to the Financial Statements for the year ended 31 July 2020

#### 1. Accounting policies

##### 1.1. Basis of preparing the financial statements

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)), and the Companies Act 2006.

The charity 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.

##### 1.2. Incoming resources

All incoming resources are included in the Statement of Financial Activities when:

- the charity is legally entitled to the funds
- any performance conditions attached to the income have been met or are fully within the control of the charity
- there is sufficient certainty that receipt of the income is considered probable
- the amount can be reliably measured

##### - Donations and legacies

Grants/donations are recognised in incoming resources in the year in which they are receivable, except as follows:

- when donors specify that grants/donations given to the charity must be used in future accounting periods, the income is deferred until those periods
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the preconditions for use are met.

## Reading Repertory Theatre

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### Notes to the Financial Statements for the year ended 31 July 2020

#### - Charitable activities

Theatre income - income from box office, performance fees and sundry other theatrical income is included in incoming resources in the period in which the relevant show takes place.

Project specific funding - when donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

#### - Donated services and facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

#### - Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

### 1.3. Expenditure

All expenditure is included on an accruals basis inclusive of any VAT which cannot be recovered and is recognised when:

- there is a legal or constructive obligation to make a payment
- it is probable that settlement will be required
- the amount of the obligation can be measured reliably

#### - Costs of raising funds

Costs incurred in attracting donations, and those incurred in trading activities that raise funds.

#### - Charitable activities

Theatre production/project costs - costs incurred in production and running of productions in the year.

#### - Support costs

The administrative and overhead costs associated with running the office from which the company operates as well as governance costs. Support costs are wholly attributable to theatre production costs.

#### - Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

## Reading Repertory Theatre

(Limited by Guarantee)

### Notes to the Financial Statements for the year ended 31 July 2020

#### 1.4. Fund accounting

Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### 1.5. Tangible fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost.

Depreciation is provided at annual rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Computer equipment	-	Straight line over 3 years

#### 1.6. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

#### 1.7. Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### 1.8. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### 1.9. Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value, and subsequently measured at their settlement value.

#### 1.10. Significant Accounting Estimates and Judgements

In determining the carrying amounts of certain assets and liabilities, the charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The charity's estimates and assumptions are based on historical experience and expectation of future events and are reviewed annually.

## Reading Repertory Theatre

(Limited by Guarantee)

### Notes to the Financial Statements for the year ended 31 July 2020

#### 2. Incoming resources

The total theatrical income for the year has been derived from the principal activity. The proportion of theatrical income derived from outside the UK amounted to nil% (2019 - nil%).

3. Net income/(expenditure) for the year is stated after charging:	2020 £	2019 £
Depreciation of tangible fixed assets	325	-
Independent Examiner's remuneration		
- independent examination	2,500	2,250
- other services	1,658	1,000
	<u>          </u>	<u>          </u>

#### 4. Trustees' emoluments and reimbursed expenses

The trustees received no remuneration during the year (2019 - £nil).

The aggregated amount reimbursed to trustees during the year was £nil (2019 - £nil)

## Reading Repertory Theatre

(Limited by Guarantee)

### Notes to the Financial Statements for the year ended 31 July 2020

<b>5. Staff costs and numbers</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
Salaries and wages	52,878	36,010
	<u>52,878</u>	<u>36,010</u>

No employee earned £60,000 or more during the year (2019 - nil).

The key management personnel of the charity comprise of the Trustees and the Senior Management Team. The total employee benefits and fees of the key management personnel of the charity were £64,790 (2019: £54,000).

#### Staff numbers

The average numbers of employees (including casual and part time staff) during the year was made up as follows:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Production	2	1
Administration	1	2
	<u>3</u>	<u>3</u>

In the year fees of £52,038 were paid to Activate Learning in relation to salaries for the Artistic and Associate Directors.

#### 6. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**Reading Repertory Theatre**

**(Limited by Guarantee)**

**Notes to the Financial Statements  
for the year ended 31 July 2020**

<b>7. Fixed assets - tangible assets</b>	<b>Short leasehold property £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>			
1 August 2019	16,343	-	16,343
Additions	196,084	974	197,058
31 July 2020	<u>212,427</u>	<u>974</u>	<u>213,401</u>
<b>Depreciation</b>			
1 August 2019	-	-	-
Charge for year	-	325	325
31 July 2020	<u>-</u>	<u>325</u>	<u>325</u>
<b>Net book values</b>			
31 July 2020	<u>212,427</u>	<u>649</u>	<u>213,076</u>
31 July 2019	<u>16,343</u>	<u>-</u>	<u>16,343</u>

Short lease hold property - these are costs incurred in the new theatre project. Amortisation of the costs will be over the remaining life of the lease on completion of the theatre.

<b>8. Debtors</b>	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	3,000	22,879
Other debtors	66,507	-
	<u>69,507</u>	<u>22,879</u>

<b>9. Creditors: amounts falling due within one year</b>	<b>2020 £</b>	<b>2019 £</b>
Trade creditors	81,429	-
Other taxation/social security	6	-
Accruals	2,500	2,642
	<u>83,935</u>	<u>2,642</u>

**Reading Repertory Theatre**

**(Limited by Guarantee)**

**Notes to the Financial Statements  
for the year ended 31 July 2020**

**10. Limited by guarantee**

The company is limited by guarantee and does not have a share capital. Each member gives a guarantee to contribute a sum, not exceeding £10, to the company should it be wound up. At 31 July 2020 there were 7 members.

**11. Unrestricted funds**

	Brought forward £	Incoming resources £	Outgoing resources £	Carried forward £
General fund	<u>51,804</u>	<u>326,239</u>	<u>(269,729)</u>	<u>108,314</u>

**12. Restricted funds**

	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
Fixed assets - Capital project	<u>29,475</u>	<u>378,100</u>	<u>-</u>	<u>-</u>	<u>407,575</u>
	<u>29,475</u>	<u>378,100</u>	<u>-</u>	<u>-</u>	<u>407,575</u>

Fixed assets

This fund consists of grants/donations received specifically for the purchase of fixed assets. The funds are transferred to the general fund over the expected useful life of the assets.

The balance at 31 July 2020 is attributable to:

Future capital expenditure	195,148
Capital project	<u>212,427</u>
	<u>407,575</u>



**Reading Repertory Theatre**

**(Limited by Guarantee)**

**Notes to the Financial Statements  
for the year ended 31 July 2020**

**13. Analysis of net assets between funds**

	<b>General funds £</b>	<b>Restricted funds £</b>	<b>Total £</b>
Fund balances at 31 July 2020 are represented by:			
Tangible fixed assets	649	212,427	213,076
Net current assets	107,665	195,148	302,813
	108,314	407,575	515,889

**14. Related party transactions**

Trustee Paul Newman is an Executive Director at Activate Learning. During the year there was fee income received of £30,000 from Activate Learning.

£52,038 was paid to Activate Learning in the year in relation to the salaries of the Artistic and Associate Directors.

**15. Gross Cash Flows**

	<b>2020 £</b>	<b>2019 £</b>
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(197,058)	(16,343)
	(197,058)	(16,343)

**16. Analysis of changes in net funds**

	<b>Opening balance £</b>	<b>Cash flows £</b>	<b>Closing balance £</b>
Cash at bank and in hand	44,699	272,542	317,241
<b>Net funds</b>	44,699	272,542	317,241

Reading Repertory Theatre

(Limited by Guarantee)

Notes to the Financial Statements  
for the year ended 31 July 2020

17. Reconciliation of net income/(expenditure) to net cashflow from operating activities

	2020	2019
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	434,610	34,705
Depreciation	325	-
(Increase)/decrease in debtors	(46,628)	15,900
Increase in creditors	81,293	-
<b>Net cash inflow from operating activities</b>	<u>469,600</u>	<u>50,605</u>