

MONTAGE THEATRE ARTS ANNUAL REPORT 2022/2023



(A company limited by guarantee)

Citibase
67-71 Lewisham High Street
London
SE13 5JX

Registered Charity No. 1103460
Registered Company No. 5020947
020 8692 7007
www.montagetheatre.com



**Montage Theatre Arts
Company Limited by Guarantee**

Annual Report and Financial Statements

Year ended 31 March 2023

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**Montage Theatre Arts
Company Limited by Guarantee**

Report of the Trustees for the year ended 31 March 2023

The Trustees are pleased to present their report together with the financial statements of the charity for the year ending 31 March 2023.

Reference and administrative details

| | |
|-----------------------|--|
| Charity Number: | 1103460 |
| Company Number: | 5020947 |
| Principal Office: | Citibase, 67-71 Lewisham High Street, London, SE13 5JX |
| Bankers: | The Co-operative Bank, Lewisham Branch, 151 Lewisham High Street, London SE13 6AA |
| Independent Examiner: | Kathleen Moss ACMA, CGMA |

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.

The trustees serving during the year and since the year end were as follows:

| | |
|-------------------|--|
| Chair | Marian Cleary |
| Treasurer | Laura de Poitiers |
| Company Secretary | Laura de Poitiers |
| Other Members | Matthew Housden Kate Jones Nixon Rosembert (Resigned November 2023) Harriet Margolies Sinan Waheed |

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Montage Theatre Arts (MTA) is a company limited by guarantee, incorporated and registered as a charity 20 January 2004.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. It is registered as a charity with the Charity Commission. Anyone over the age of 18 can become a member of the charity and there are currently 7, each of whom agrees to contribute £1 in the event of the charity winding up. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in the accounts.

Appointment of Trustees

As set out in the Articles of Association the trustees are appointed by the board. They hold office until the following Annual General Meeting when they will be eligible for re-appointment. One third of the members of the board of trustees resign at each Annual General Meeting and are eligible for re-election. The trustees may appoint any member of the charity as a member of the board of trustees provided that the prescribed maximum is not exceeded. When considering appointing trustees, the board has regard to the requirement for any specialist skills or representation needed.

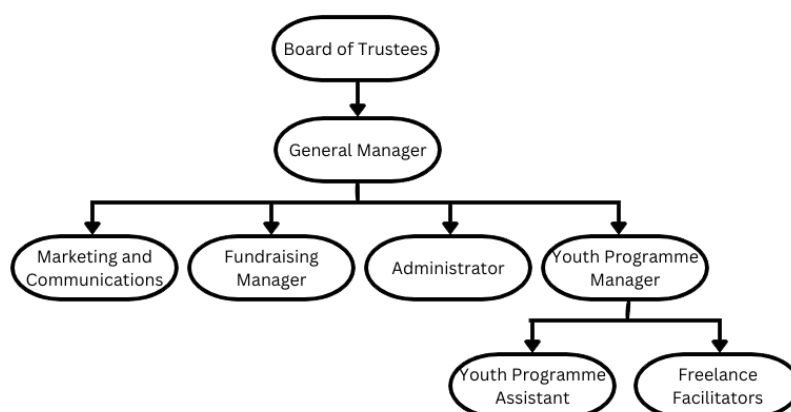
Trustee Induction and Training

New trustees are provided with information on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and recent financial performance of the charity. They meet key employees and other trustees during the induction process. Trustees are encouraged to attend external training events where these will facilitate the undertaking of their role.

Organisation

The board of trustees, which can have up to eight members, administers the charity. The board meets quarterly and there are sub-groups covering fundraising, development and company structure which meet as required.

A General Manager is appointed to manage the day-to-day operations of the charity, to whom authority for operational matters including finance, employment and artistic performance related activity is delegated, within terms of delegation approved by the trustees. The employees of the company remained the General Manager, Administrator and two Youth Programme Assistants. The company also chose to employ a Marketing and Communications Officer during the 22-23 financial year. A freelance Funding Director and Youth Programme Manager were also contracted to help ensure the smooth day-to-day running of the charity.



Our Independent Examiner, as appointed by the board, remained Kathleen Moss.

Related Parties

Alexander Margolies (brother of Trustee Harriet Margolies) was introduced to the organisation as a freelance bid writer in order to assist with the organisation's fundraising. A payment of £1,000 was approved to be made to him after work was completed (2022: nil related party transactions).

Harriet Margolies was not involved with any discussion regarding the contract and payment.

Whilst the charity has no formal relationship with 'related charities', it values collaboration with fellow theatre and community organisations, and exchanges mutual support and assistance wherever possible. This includes co-productions and partnerships within projects.

Risk Management

The trustees have a risk management strategy that comprises:

- an analysis of all the risks facing the charity; and
- the identification of suitable measures to mitigate those risks.

PUBLIC BENEFIT STATEMENT

MTA's main aim is to advance education for the public benefit by the promotion of the arts, but not exclusively, the performing arts.

MTA works with children and families in one of the most deprived areas of London, providing a year-round programme of classes, workshops and projects using dance, drama, singing and musical theatre promoting access to the arts for all. These activities are used to give participants the chance to learn new skills, promote confidence, and allow each individual to find their creative voice and experience the transformative power of the performing arts. The activities provided create a culture of lifelong learning where positive opportunities combat the threats of peer pressure that can lead to crime and other social issues.

MTA ensures public benefit within the community by:

- Maintaining low fees; offer substantially discounted concessionary rates and free places to enable wider access to those economically and socially disadvantaged.
- Encouraging citizens and young people to become involved in the life of the community through engagement.
- Increasing confidence, raise aspirations, and create a safe community that supports the individual.
- Encouraging critical thinking and empathy for the needs of others, especially participants' peers.
- Promoting a sense of purpose, achievement, and increased awareness of self-worth.
- Raising educational attainment and increasing employability.
- Encouraging good relationships with a range of peoples of all ages.
- Providing children and young people with alternative activities which focus on positive opportunities, reducing the number of children & young people who are involved in peer groups connected with crime, therefore helping to break the cycle of criminal behaviour in an area with the 14th highest rate in London. (Source: <https://crimerate.co.uk/london>)

The trustees review the aims, objectives, and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

OBJECTIVES AND ACTIVITIES

MTA is a registered charity, who were based at the Sydenham Centre until June 2022 when they established a new primary office in a co-working space in central Lewisham. The charity primarily runs activities in the London Borough of Lewisham. The organisation, established in 1998, has a respected track record for offering excellent and vital opportunities for children, young people, and adults from the local community.

Lewisham is in the top 40% of boroughs for deprivation and 14th for childhood poverty (37% of children are living in poverty)¹. It also has the lowest GCSE attainment in English and Maths². Finally, Lewisham has one of the highest 'first time entrants into youth justice' rate in London³.

Approximately 20% of MTA's students access financial assistance to attend their activities, using concessionary rates or free places. Participants in MTA activities are often referred through schools/social care teams/young carer support networks/refugee action groups and MTA has a special aim to increase the opportunities available to such young people.

MTA provides a year-round programme of classes, workshops and projects using dance, drama and music where participants are given the chance to learn new skills and grow in confidence. MTA activities are proven to raise aspirations, increase educational attainment, teach critical and empathetic thinking, and creates supportive and safe spaces for young people. Our service users form a community united by their love of performing arts which breaks many social barriers such as gender, sexuality, race, and socioeconomic background. MTA has a strong policy of encouraging the 'voice' of participants, actively involving them and the extended families in planning and practice, working as a unified community organisation.

The core activities excluding stand-alone projects delivered during the 22/23 financial year:

- Provide 36 in-person weekly classes for children aged 3-18, 33 weeks of the year, reaching up to 500 children per week.
- Provide School Holiday programmes across all major school holidays, providing spaces for over 600 children in two locations within Lewisham.
- Increase charitable outreach by raising the number of reduced-rate and free spaces offered; including offering over 60 free spaces during holiday courses (vs. 40 in 21/22) which comes at a large cost to the organisation.
- Improve marketing and outreach within harder to reach communities and less affluent areas through promotional campaigns.
- Provide free assistance to socioeconomically disadvantaged students auditioning for post-14, post-16 and university courses within performing arts.
- Plan and execute several performance opportunities for our students, which celebrate their achievements and development. These included; Youth Theatre productions of Lord of the Flies and A Midsummer Night's Dream, Saturday School showcases and Pantomime performances and several in-class performances to friends and family
- Reinvest some surplus reserves into the organisation to maintain stability and ensure longevity of organisation. This included covering increased staffing demands and meeting organisational objectives including establishment of a new office space.
- Recruiting, training, and managing 20-30 teachers/facilitators.
- A Youth Theatre Company.
- A Youth Committee, ages 14-17, and a parent committee.
- Classes held in local venues (secondary schools, primary schools, and a community centre)

¹ London Poverty Profile

² DFE (<https://data.london.gov.uk/dataset/gcse-results-by-borough>)

³ Joint Strategic Needs Assessment – Picture of Lewisham

MTA worked in partnership with several local organisations, including Volunteer Action Lewisham, Volunteer Services Lewisham, Lewisham Arts Education Network, Prendergast Hilly Fields College, Sydenham Arts and several local nurseries, primary and secondary schools.

MTA worked closely in association with Lewisham Council throughout the Borough of Culture year.

The organisation also worked with several high-profile partners on projects, placements, and performance work, including Royal Academy of Dance, London Academy of Music and Drama, National Theatre, and various universities including Goldsmiths, South Bank University and Central School of Speech and Drama.

COMPANY PERFORMANCE AND ACHIEVEMENTS

Achievements: Performance & Financial Review

The focus of the 22/23 financial year, as decided by the Board of Trustees and Senior Leadership Team, was to focus on investment in areas to enable long term sustainability. This included taking a new lease for an office space to bring the team back together after working from home since the beginning of the COVID pandemic in 2020. The decision was also taken to split the Administrator role due to the workload, to allow one member of staff to focus solely on marketing. This has allowed the organisation to develop a strong marketing strategy and presence, not only driving earned income, but increasing outreach into new communities.

MTA has ended the 22/23 year with a surplus of £2,202 (2022: £20,738). Income for the year amounted to £245,809 (2022: £229,412) of which £26,388 (2022: £40,477) was restricted to specific projects and was fully spent in the year. Expenditure in the year totalled £243,607 (2022: £209,034).

MTA's charitable reserves now stand at £82,350. MTA's reserve policy states that MTA will hold a minimum of 3 months expenditure inclusive of direct costs, fees and overheads. The trustees are satisfied that the reserves held at the end of 22/23 meet this policy with 4 months expenditure being held based on total expenditure in the year.

Achievements: Widening Participation

MTA's main aim is to remove any financial, or perceived social, barrier for people wanting to access the performing arts. The application criteria for means tested reduced-rate and free places remained as it was during the 22/23 financial year, however this has been increased since May 2023.

The organisation also continued to allow special dispensation if applicants did not meet the criteria but could demonstrate need. Subsequently the number of reduced-rate and free spaces offered throughout 22/23 has grown, including offering over 80 free spaces during holiday courses (vs. 60 in 21/22).

The ability to offer these courses to the community at affordable prices is key to the charitable aims of MTA. Low-income families can access reduced rates meaning courses can cost as little as £2 per session, with those able to pay more still benefit from hugely competitive rates while subsidising these reduced-rate places.

MTA's free place programme continues to offer fully funded training to some of the most talented and disadvantaged in the borough who, without these places, would not be able to gain access to quality arts training. Their bursaries are valued at between £95 and £400 per term per student.

Achievements: Minis, Child & Youth Programmes

Participants learnt a range of performance arts including ballet, street dance, contemporary dance, drama, singing, tap and musical theatre. MTA was also able to continue to prepare students for accredited exams with the Royal Academy of Dance and the London Academy of Music and Dramatic Art.

MTA offered OFSTED registered holiday programmes at two sites throughout the year allowing much-needed respite for both working (and non-working) parents. The summer courses were MTA's 22nd and continue to demonstrate the need for a safe and welcoming environment where children can explore their creativity

during a time where affordable and worthwhile leisure activities can be hard to find.

Performances

Performance is at the heart of MTA's ethos and every child is given the chance to shine. Both in-class performances to family and friends and larger scale shows are a much-anticipated part of the core programme and offer a chance to celebrate learning achievements and participant's development.

In July 2022, MTA held an outdoor festival-style performance for children and parents, and in August the Montage Youth Theatre Company performed A Midsummer Night's Dream in front of family and friends. In December 2022, MTA's Saturday School (over 90 children) performed a pantomime version of Cinderella.

Parents were allowed to watch an end of holiday course performances throughout the year, and all terms ended with parents watching various showcases and in-class performances.

In 2023, the organisation is celebrating its 25th birthday, and efforts have begun to host some landmark performances throughout the next financial year.

Youth Committee

MTA's youth committee is made up of our youth theatre and scholars. This group of individuals helps shape the programme and events. The students' voices matter, and the organisation hopes to utilise their expertise more in the future.

Achievements: Volunteer programme

MTA's large volunteer programme normally engages up to 25 volunteers per year, including several from the Royal Academy of Dance, Goldsmiths and the Central School of Speech and Drama.

During the COVID pandemic (20/21 and 21/22) the volunteer programme all but ceased due to restrictions and the vulnerable nature of many of our volunteers.

The organisation worked to rebuild this during the 22/23 financial year and worked with 15 volunteers, the organisation seeks to continue to rebuild the volunteer programme next financial year.

Achievements: Funding

Across the financial year 22/23 MTA was successful in receiving money from the following trusts, councils, and organisations. Their thanks and appreciation are extended to all those who have made it possible for them to continue their work within the community.

- Lewisham Council Main Grants Programme
- Hilary and Stuart Williams Foundation Trust
- Sharegift
- Lee Charity of William Hatcliffe
- Jack Petchey Foundation

MTA also took part in two additional online fundraising campaigns, the Big Summer Give and the Big Christmas Give. These achieved over £17,000 throughout the financial year.

Looking Forward to 23/24: Potential Risks

The cost-of-living crisis, inflation, and demonstrable need in more socioeconomically challenged areas present some risks as the 23/24 financial year progresses.

The organisation is celebrating its 25th anniversary in the 23/24 financial year, and hope this supports the organisations local profile and stability.

The organisation plans to reassess staffing needs and organisational structure to enable growth and development throughout the next financial year. The next 3-year business plan is being drafted with the support of the Cranfield Trust, and many other exciting opportunities are in early planning stages.

Trustee Statement

The trustees (who are also directors of Montage Theatre Arts for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant information of which the charitable company's examiners are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the examiners are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2023 was seven (2022: seven). Trustees are members of the charity, but this entitles them only to voting rights.

Our Independent Examiner, as appointed by the board, Kathleen Moss Limited.

The company has taken advantage of the small companies' exemption in preparing the report above. The trustees declare that they have approved the trustees' report (including directors' report) above.

Approved by the trustees on 28th February 2024 and signed on their behalf by:



Marian Cleary – Chair Person



Laura de Poitiers – Treasurer and Company Secretary

INDEPENDENT EXAMINER'S REPORT

To the Trustees of Montage Theatre Arts Ltd

I report on the accounts of Montage Theatre Arts Ltd for the year ended 31st March 2023 which are set out on the following pages.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Date 28th February 2024

Kathleen Moss ACMA, CGMA
Kathleen Moss Ltd
48 Lawn Terrace
London

Montage Theatre Arts Limited

Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 March 2023

| | | Unrestricted Funds | Restricted Funds | Total Funds 2023 | Unrestricted Funds | Restricted Funds | Total Funds 2022 |
|------------------------------------|------|-----------------------|---------------------|------------------------|-----------------------|---------------------|------------------------|
| | Note | £ | £ | £ | £ | £ | £ |
| Income | | | | | | | |
| Donations and legacies | 3 | 2,768 | 19,345 | 22,113 | 1,720 | 24,517 | 26,237 |
| Charitable activities | 4 | 216,653 | 7,043 | 223,696 | 187,215 | 15,960 | 203,175 |
| | | | | | | | |
| Total income | | 219,421 | 26,388 | 245,809 | 188,935 | 40,477 | 229,412 |
| | | | | | | | |
| Expenditure: | 5 | | | | | | |
| Raising funds | | 13,068 | - | 13,068 | 13,466 | - | 13,466 |
| Charitable activities | | 204,151 | 26,388 | 230,539 | 155,091 | 40,477 | 195,568 |
| Other expenditure | | | | - | | | - |
| | | | | | | | |
| Total expenditure | | 217,219 | 26,388 | 243,607 | 168,557 | 40,477 | 209,034 |
| | | | | | | | |
| Net income for the year | 6 | 2,202 | - | 2,202 | 20,378 | - | 20,378 |
| | | | | | | | |
| Reconciliation of funds | | | | | | | |
| Total funds brought forward | | 80,148 | - | 80,148 | 59,770 | - | 59,770 |
| Transfer between funds | | - | - | - | - | - | - |
| | | | | | | | |
| Total funds carried forward | | £ 82,350 | - | £ 82,350 | £ 80,148 | - | £ 80,148 |

All of the above results are derived from continuing activities . There were no other recognised gains or losses, other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

The statement of financial activities complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on the following pages form part of these financial statements

Montage Theatre Arts Limited

Balance Sheet As at 31 March 2023

| | Note | £ | 2023 £ | £ | 2022 £ |
|---|------|---------------|-----------------|-----------------|-----------|
| Fixed assets | | | | | |
| Tangible Assets | 8 | | 3,554 | | 3,057 |
| Current assets | | | | | |
| Debtors | 9 | 6,002 | | 7,004 | |
| Cash at bank and in hand | | 84,576 | | 83,501 | |
| | | <u>90,578</u> | | <u>90,505</u> | |
| Liabilities: | | | | | |
| Creditors: Amount falling due within one year | 10 | 11,782 | | 13,414 | |
| Net current assets | | | <u>78,796</u> | <u>77,091</u> | |
| Total net assets | 11 | | £ 82,350 | £ 80,148 | |
| The funds of the charity: | 12 | | | | |
| Restricted income funds | | | - | - | |
| Unrestricted income funds | | | | | |
| General reserve | | | 82,350 | 80,148 | |
| Total charity funds | | | £ 82,350 | £ 80,148 | |

The charity is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023. No member of the charity has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with sections 386 and 387 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the charity 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

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the trustees on 28th February 2024 and signed on their behalf by



Marian Cleary - Chair of Trustees



Laura de Poitiers - Treasurer and Company Sec

Company number: 05020947

Charity number: 1103460

The notes on the following pages form part of these financial statements.

Montage Theatre Arts Limited

Notes to the financial statements for the year ended 31 March 2023

1 Statutory information

Montage Theatre Arts is a charitable company, limited by guarantee, registered in England and Wales number 05020947 and is registered with the Charity Commission number 1103460. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The nature of the charitable company's operations and principle activities are to work with children and families in one of the most deprived areas of London, providing a year-round programme of classes, workshops and projects using dance, drama and music. The charitable company's registered office address can be found on the Legal and Administrative Information page. The registered office is the principle place of business. The functional currency is sterling.

2 Accounting Policies

A Basis of preparation of 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), (Charities SORP FRS 102) and the Companies Act 2006.

Montage Theatre Arts meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about Montage Theatre Arts' ability to continue as a going concern and no sources of estimation uncertainty at the reporting date.

B Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

C Gifts/intangible income

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation 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. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about On receipt, donated gifts, professional services and donated 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.

Notes to the financial statements for the year ended 31 March 2023: continued

Montage Theatre Arts Limited

D Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

E Expenditure and irrecoverable VAT

Expenditure is accounted for on an accruals basis with the irrecoverable element of VAT included with the item to which it relates and has been classified under headings that aggregate all costs related to the category.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Expenditure on charitable activities includes the costs of delivering services and other activities undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

F Fixed Assets

Tangible fixed assets are stated at cost, or if donated, at their estimated value at the date of donation, less depreciation.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 25% straight line

G Leasing commitments

Rental charges are charged on a straight line basis over the term of the lease.

H Debtors

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

I Cash at bank and in hand

Cash at bank and cash 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. Cash balances exclude any funds held on behalf of service users.

The charity does not have a material holding in complex financial instruments.

J 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.

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

K Pensions

The charitable company has an Auto Enrolment pension with the People's Pension.

Contributions are charged to the Statement of Financial Activities as they are incurred.

Montage Theatre Arts Limited

Notes to the financial statements for the year ended 31 March 2023: *continued*

| | Unrestricted | Restricted | Total |
|--|---------------------|-------------------|-----------------|
| | | | 2023 |
| 3 Donations and legacies | £ | £ | £ |
| Donations | 768 | 11,345 | 12,113 |
| The Childhood Trust | - | 3,000 | 3,000 |
| Hilary and Stuart Williams | | | |
| Foundation Trust | - | 3,500 | 3,500 |
| Sharegift | 2,000 | - | 2,000 |
| Browns of Brockley | - | 500 | 500 |
| Ray Cooney Plays | - | 1,000 | 1,000 |
| | £2,768 | £19,345 | £22,113 |
| <i>Prior year comparative</i> | | | 2022 |
| | <i>Unrestricted</i> | <i>Restricted</i> | <i>Total</i> |
| | | | 2022 |
| Donations and legacies | £ | £ | £ |
| Donations | 1,720 | 13,017 | 14,737 |
| The Childhood Trust | - | 6,000 | 6,000 |
| ATG Productions | - | 5,500 | 5,500 |
| | £1,720 | £24,517 | £26,237 |
| 4 Income from charitable activities | | | 2023 |
| Grant income | £ | £ | £ |
| London Borough of Lewisham | 1,000 | - | 1,000 |
| Lee Charity of William Hatcliff | - | 6,143 | 6,143 |
| Jack Petchey Foundation | - | 900 | 900 |
| | 1,000 | £7,043 | £8,043 |
| Classes and events | | | |
| Core programme income | 111,377 | - | 111,377 |
| Holiday programme income | 98,275 | - | 98,275 |
| Other events and workshop inco | 2,570 | - | 2,570 |
| T-Shirts | 976 | - | 976 |
| External services | 2,455 | - | 2,455 |
| | £215,653 | - | £215,653 |
| 4 Total income from charitable activities | £216,653 | £7,043 | £223,696 |

Montage Theatre Arts Limited

| | | | | |
|----------|--|-----------------|----------------|-----------------|
| 4 | Prior year comparative | | | |
| | Income from charitable activities | | | 2022 |
| | Grant income | £ | £ | £ |
| | <i>London Borough of Lewisham</i> | 9,000 | - | 9,000 |
| | <i>London Community Response Fund</i> | - | 8,967 | 8,967 |
| | <i>Kickstart - DWP</i> | 6,964 | - | 6,964 |
| | <i>Lee Charity of William Hatcliff</i> | - | 6,143 | 6,143 |
| | <i>Jack Petchey Foundation</i> | - | 850 | 850 |
| | | 15,964 | £15,960 | £31,924 |
| | Classes and events | | | |
| | <i>Core programme income</i> | 89,983 | - | 89,983 |
| | <i>Holiday programme income</i> | 75,705 | - | 75,705 |
| | <i>Other events and workshop income</i> | 776 | - | 776 |
| | <i>T-Shirts</i> | 607 | - | 607 |
| | <i>External services</i> | 4,180 | - | 4,180 |
| | | £171,251 | - | £171,251 |

Montage Theatre Arts Limited

Notes to the financial statements for the year ended 31 March 2023: continued

5 Analysis of expenditure

Expenditure represents the following direct and apportioned costs

| | Costs of raising funds | Charitable activities | Govern- ance | 2023 Total |
|---|---------------------------|--------------------------|-----------------|-----------------|
| | £ | £ | £ | £ |
| Fundraising | 9,130 | - | - | 9,130 |
| Staff costs | - | 82,835 | 9,204 | 92,039 |
| Teacher/Course Manager Fees | - | 65,879 | - | 65,879 |
| Venue hire | - | 20,064 | - | 20,064 |
| Exam fees | - | 1,651 | - | 1,651 |
| Youth Prog Manager | - | 19,823 | 2,203 | 22,026 |
| Recruitment, Consultancy, Legal, Payroll | - | - | 1,163 | 1,163 |
| Independent Examination | - | - | 1,040 | 1,040 |
| Staff training | - | 100 | - | 100 |
| Marketing, Publicity, Website, T Shirts | - | 5,097 | - | 5,097 |
| Stationery, Telephone, Subscriptions & Memberships | 574 | 2,296 | - | 2,870 |
| Rent, Utilities, Premises, Insurance, Postage | 2,480 | 8,681 | 1,240 | 12,402 |
| Office equipment, Website & IT | 884 | 3,093 | 442 | 4,419 |
| Bank and paypal charges | - | - | 2,671 | 2,671 |
| Petty Cash, Miscellaneous & Volunteer expenses | - | 1,798 | - | 1,798 |
| Trustee meeting expenses | - | - | 171 | 171 |
| Depreciation | - | 1,087 | - | 1,087 |
| | £13,068 | £212,405 | £18,134 | £243,607 |
| Of the total expenditure: | Unrestricted | Restricted | Total | |
| 2023 £ | 217,219 | £ 26,388 | £ 243,607 | |
| 2022 £ | 181,588 | £ 40,477 | £ 222,065 | |

Notes to the financial statements for the year ended 31 March 2023: continued

Montage Theatre Arts Limited

Prior year comparative - Analysis of expenditure

Expenditure represents the following direct and apportioned costs

| | <i>Costs of raising funds</i> | <i>Charitable activities</i> | <i>Govern- ance</i> | <i>2022 Total</i> |
|---|--|---|--------------------------------|------------------------------|
| | <i>£</i> | <i>£</i> | <i>£</i> | <i>£</i> |
| <i>Fundraising</i> | 12,497 | - | - | 12,497 |
| <i>Staff costs</i> | - | 82,835 | 9,204 | 92,039 |
| <i>Teacher/Course Manager Fees</i> | - | 53,874 | - | 53,874 |
| <i>Administrator Fees</i> | - | 1,380 | - | 1,380 |
| <i>Venue hire</i> | - | 21,770 | - | 21,770 |
| <i>Exam fees</i> | - | 296 | - | 296 |
| <i>Other Project costs</i> | - | 1,300 | - | 1,300 |
| <i>Youth Prog Manager</i> | - | 19,800 | 2,200 | 22,000 |
| <i>Creative consultant</i> | - | 660 | - | 660 |
| <i>Apprentices</i> | - | - | - | - |
| <i>Recruitment, Consultancy, Legal, Payroll</i> | - | - | 198 | 198 |
| <i>Independent Examination</i> | - | - | 960 | 960 |
| <i>Marketing, Publicity, Website, T Shirts</i> | - | 6,528 | - | 6,528 |
| <i>Stationery, Telephone, Subscriptions</i> | 670 | 2,680 | - | 3,350 |
| <i>Rent, Utilities, Premises, Insurance, Postage</i> | 299 | 1,045 | 149 | 1,493 |
| <i>Bank and paypal charges</i> | - | - | 2,197 | 2,197 |
| <i>Petty Cash, Miscellaneous & Volunteer expenses</i> | - | 287 | - | 287 |
| <i>Depreciation</i> | - | 735 | - | 735 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | <i>£13,466</i> | <i>£193,580</i> | <i>£15,019</i> | <i>£222,065</i> |
| | <hr/> | <hr/> | <hr/> | <hr/> |

6 Net income for the year

| | 2023 | 2022 |
|---|-------------|-------------|
| The net income for the year is stated after charging: | | |
| Depreciation of tangible fixed assets owned by the Ch | £1,087 | £735 |
| Independent Examination | £900 | £900 |

Montage Theatre Arts Limited

Notes to the financial statements for the year ended 31 March 2023: continued

7 Staff costs

| | | |
|-----------------------------------|----------------|----------------|
| Staff costs during the year were: | 2023 | 2022 |
| | £ | £ |
| Salaries and wages | 88,311 | 75,397 |
| Social Security costs | 2,061 | 2,221 |
| Other pension costs | 1,667 | 1,390 |
| | <hr/> | <hr/> |
| | £92,039 | £79,008 |
| | <hr/> | <hr/> |

Montage Theatre Arts currently has 5 employees (2022: 4) all other staff are freelancers and invoice the organisation. No employee earned over £60,000 in the year.

Key management personnel are the Trustees, General Manager and Funding Director, the latter is not an employee. The total benefit of the key management personnel including NIC and pension in the year was £43,103 (2022: £42,333).

The average number of employees during the year was 4.7 (2022: 4).

No remuneration was paid to Trustees in the year (2022 - £ nil) , nor were any expenses reimbursed to them (2022 - £nil).

8 Tangible fixed assets

| | Office Equipment £ | Fixtures & Fittings £ | Production Equipment £ | Wares Equipment | Total £ |
|---|-----------------------------------|--|---------------------------------------|----------------------------|--------------------|
| Cost at 1 April 2022 | 6,620 | 212 | 7,117 | 749 | 14,698 |
| Additions at cost | 1,584 | - | - | - | 1,584 |
| Write off obsolete assets | (5,021) | - | (3,763) | - | (8,784) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2023 | £3,183 | £212 | £3,354 | £749 | £7,498 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Depreciation: | | | | | |
| Accumulated Depreciation at 1 April 2022 | 5,688 | 212 | 4,992 | 749 | 11,641 |
| Charge for year | 752 | - | 335 | - | 1,087 |
| Depreciation on asset write off | (5,021) | - | (3,763) | - | (8,784) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2023 | £1,419 | £212 | £1,564 | £749 | £3,944 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Net Book Value: | | | | | |
| At 31 March 2023 | £1,764 | - | £1,790 | - | £3,554 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| <i>At 31 March 2022</i> | <i>932</i> | <i>-</i> | <i>£2,125</i> | <i>-</i> | <i>£3,057</i> |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

Montage Theatre Arts Limited

Notes to the financial statements for the year ended 31 March 2023: continued

| | | | | |
|-----------|--|---------------------------|-------------------------|--------------------|
| 9 | Debtors | 2023 | 2022 | |
| | Due within one year: | £ | £ | |
| | Accrued income | - | 6143 | |
| | Prepayments | 861 | 861 | |
| | Rent Deposit | 2,400 | - | |
| | Overpaid NIC | 2,741 | | |
| | | <u>£6,002</u> | <u>£7,004</u> | |
| 10 | Creditors | | | |
| | Amounts falling due within one year: | | | |
| | | 2023 | 2022 | |
| | | £ | £ | |
| | Accruals | 3,342 | 6,334 | |
| | Income received in advance | 8,104 | 6,179 | |
| | Pension | 336 | 594 | |
| | Social Security and other taxes | - | 307 | |
| | | <u>£11,782</u> | <u>£13,414</u> | |
| 11 | Analysis of net assets between funds | Unrestricted Funds | Restricted Funds | Total Funds |
| | | £ | £ | £ |
| | Fund Balances at 31 March 2023 are represented by: | | | |
| | Tangible Fixed Assets | 3,554 | - | 3,554 |
| | Current Assets | 90,578 | - | 90,578 |
| | Creditors: Amounts falling due within one year | (11,782) | - | (11,782) |
| | Total net assets | <u>£82,350</u> | <u>-</u> | <u>£82,350</u> |
| | Analysis of net assets between funds - prior year comparative | | | |
| | | Unrestricted Funds | Restricted Funds | Total Funds |
| | | £ | £ | £ |
| | Fund Balances at 31 March 2022 are represented by: | | | |
| | Tangible Fixed Assets | 3057 | - | 3057 |
| | Current Assets | 90,505 | - | 90,505 |
| | Creditors: Amounts falling due within one year | (13,414) | - | (13,414) |
| | Total net assets | <u>£80,148</u> | <u>-</u> | <u>£80,148</u> |

Montage Theatre Arts Limited

Notes to the financial statements for the year ended 31 March 2023: continued

12 Funds

Fund movements were as follows:

| | At 1st Apr 2022 | Incoming | Outgoing | Transfers between funds | At 31st Mar 2023 |
|---------------------------------|--------------------|-----------------|-------------------|----------------------------|---------------------|
| | £ | £ | £ | £ | £ |
| Restricted Funds | | | | | |
| Jack Petchey Foundation | - | 900 | (900) | - | - |
| Lee Charity of William Hatcliff | - | 6,143 | (6,143) | - | - |
| Big Christmas Give | - | 5,168 | (5,168) | - | - |
| Big Summer Give | - | 14,177 | (14,177) | - | - |
| Total Restricted Funds | - | 26,388 | (26,388) | - | - |
| Unrestricted funds: | | | | | |
| General funds | 80,148 | 219,421 | (217,219) | - | 82,350 |
| Total funds | 80,148 | £245,809 | (£243,607) | - | £82,350 |

Restricted Funds - description

| | |
|---------------------------------|---|
| LBL Small Grant Award | To support running costs as a regularly funded organisation. |
| Jack Petchey Foundation | Award for young people participating in the project, voted for by students. The award comes with a small grant that is to be spent in accordance with the recipients' wishes. £500 was given to support the Big Give Christmas campaign |
| Lee Charity of William Hatcliff | To support the cost of the scholarship programme for children in the Lee postcode area. |
| Big Give | To support the cost of the scholarship programmes during school holidays. |
| Arts Council | Emergency funding to support MTA during Covid-19 pandemic. |
| London Community Response Fund | Emergency funding to support MTA during Covid-19 pandemic. |

Fund movements were as follows:

| | At 1st Apr 2021 | Incoming | Outgoing | Transfers between funds | At 31st Mar 2022 |
|---------------------------------|--------------------|-----------------|-------------------|----------------------------|---------------------|
| | £ | £ | £ | £ | £ |
| Restricted Funds | | | | | |
| London Community Response Fund | - | 8,967 | (8,967) | - | - |
| Jack Petchey Foundation | - | 350 | (350) | - | - |
| Lee Charity of William Hatcliff | - | 6,143 | (6,143) | - | - |
| Big Christmas Give | - | 11,837 | (11,837) | - | - |
| Big Summer Give | - | 13,180 | (13,180) | - | - |
| Total Restricted Funds | - | 40,477 | (40,477) | - | - |
| Unrestricted funds: | | | | | |
| General funds | £59,770 | £188,935 | (£168,557) | - | £80,148 |
| Total funds | £59,770 | £229,412 | (£209,034) | - | £80,148 |

Montage Theatre Arts Limited

Notes to the financial statements for the year ended 31 March 2023: continued

13 Taxation

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010.

14 Related parties

There is a related party transaction to disclose for 2023 (2022: none).

Alexander Margolies was paid £1,000 to submit funding applications and is the brother of Trustee Harriet Margolies. After the initial introduction Harriet was not involved with the negotiations or the agreement.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

15 Trustees

None of the trustees received any remunerations from the charity during the year (2022: Nil).

Alexander Margolies was paid £1,000 to submit funding applications and is the brother of Trustee Harriet Margolies. No reimbursements were made to trustees for travelling and other expenses and no payments were made direct to third parties in 2023 (2022: Nil).

16 Pension and other post-retirement benefit commitments

| Defined contribution | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Contributions payable by the company for the year | 1,667 | 1,390 |

At 31 March 2023 £335 was outstanding, paid in Apr 2023 (2022: £622)

17 Capital commitments

At 31 March 2023 the charity had committed to £nil (2022: £nil) capital commitments

18 Operating lease commitments

The charitable company has minimum lease payments under non-cancellable operating leases for rental of £1,008 per month for 7 months after 31st March - total £ £7,056 £(2022:Nil).

19 Contingent assets or liabilities

There are no contingent assets or liabilities at March 2023 (2022:Nil).

20 Liability of members

Montage Theatre Arts is a company limited by guarantee and has no share capital. In the event of the company being wound up, the liability of the members is limited to £1 each.

21 Ultimate controlling party

The charitable company was under the control of the Trustees during the period under review. There is no single ultimate controlling party.