

MACCLESFIELD MAJESTIC THEATRE GROUP
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

MACCLESFIELD MAJESTIC THEATRE GROUP

LEGAL AND ADMINISTRATIVE INFORMATION

Charity name: Macclesfield Majestic Theatre Group

Charity registration number: 1072947

Charity address: 113 South West Avenue
Bollington
Macclesfield
Cheshire
SK10 5DX

Trustees P Maurice
P Yandell
S Davies
G Wood
D Dale
J Wood
K Kalka
J Clarke
A Waterston

Independent examiner P J Hannibal F.C.A
Josolyne & Co
Silk House
Park Green
Macclesfield
Cheshire
SK11 7QW

Bankers Yorkshire Bank plc
10 Market Place
Macclesfield
Cheshire
SK10 1AG

Vernon Building Society
87 Park Lane
Poynton
Stockport
Cheshire
SK12 1RD

MACCLESFIELD MAJESTIC THEATRE GROUP

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MACCLESFIELD MAJESTIC THEATRE GROUP

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2017

The trustees present their report and accounts for the year ended 30 November 2017.

Objectives and activities

The objects of Macclesfield Majestic Theatre Group are:

To educate the public in the operatic and dramatic arts, to further the development of public appreciation and taste in the said arts (to assist and further such charitable institutions and charitable purposes, as the committee shall from time to time determine) and in the furtherance of this:

- To promote plays, drama, comedies, operas, operettas, and other dramatic works of educative value.
- To purchase, acquire, and obtain interest in the copyright of, or the right to perform or show any such dramatic or operatic works.
- To purchase or otherwise acquire plant, machinery, furniture, fixtures, fittings, scenery and all other necessary effects.
- To sell, lease or dispose of all or any part of the property of the Society subject to any consents required of a Charity by law.
- To raise funds and invite and receive contributions from any person or persons whatsoever by the way of subscription, donation or otherwise, providing that the Society shall not undertake any permanent trading activities in raising funds.
- To co-operate with other Charities, voluntary bodies and statutory authorities operation in furtherance of the objects, or of similar charitable purposes, and to exchange information and advice with them.
- To establish or support any charitable trusts, associations or institutions formed for all or any of the objects.
- To do all such other things as shall further the objects of the Society.

The Trustees have considered the Charity Commission's guidance on public benefit. The Theatre Group relies on subscriptions and ticket sales to cover its operating costs. In setting the level of subscriptions and ticket prices, the trustees give careful consideration to the accessibility of the Theatre Group and its productions to the whole of the general public.

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

Achievements and performance

The Society is run by the membership who are all volunteers so therefore do not receive payment in any way. We have close links with both dramatic and operatic Societies within the Borough where our members are also members of other Societies and backstage departments and assist in each other's productions.

Over the past year, the Society performed its annual pantomime in January, a concert in May and a show in October. Each production was organised by its own production team and closely monitored by the Management Committee.

Financial review

All three productions were performed at MADS, Little Theatre, the panto and concert resulted in a surplus and the show resulted in a deficit.

The Trustees have reviewed the charity's need for reserves in line with the guidance issued by the Charity Commission and have set the level of free reserves which should be maintained at a level equivalent to between three and six months expenditure. The trustees also ensure they hold £12,000 on reserve to be applied against any liability arising in respect of the original lease of the Jodrell Street premises, on which two guarantors are named. This lease was drawn up in 1996 and has subsequently been reviewed in 2001, 2007 and 2016.

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

MACCLESFIELD MAJESTIC THEATRE GROUP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

Structure, governance and management

Macclesfield Majestic Theatre Group is a registered charity. The charity was formed on 14th December 1998 under the Declaration of Trust executed on this date. It took over on 1 December 1998 the activities previously carried on by the unincorporated body Macclesfield Majestic Theatre Group.

The trustees who served during the year were:

P Maurice

P Yandell

S Davies

G Wood

B Jones

(Resigned 28 March 2017)

D Dale

J Wood

V Harrison

(Resigned 28 March 2017)

K Kalka

J Clarke

A Waterston

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

P Yandell

Trustee

Dated: 11 July 2018

MACCLESFIELD MAJESTIC THEATRE GROUP

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MACCLESFIELD MAJESTIC THEATRE GROUP

I report on the accounts of the charity for the year ended 30 November 2017, which are set out on pages 4 to 13.

Respective responsibilities of trustees and examiner

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

It is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Silk House
Park Green
Macclesfield

P J Hannibal F.C.A
Josolyne & Co
Chartered Accountants

Dated: 21 March 2018

MACCLESFIELD MAJESTIC THEATRE GROUP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2017

	Notes	Unrestricted funds £	Total 2017 £	Total 2016 £
<u>Income from:</u>				
Donations and legacies	2	3,310	3,310	4,256
Charitable activities	3	29,465	29,465	22,813
Other trading activities	4	2,911	2,911	3,301
Investments	5	372	372	400
Total income		36,058	36,058	30,770
<u>Expenditure on:</u>				
Raising funds	6	1,188	1,188	1,354
Charitable activities	7	38,032	38,032	31,224
Other	9	1,500	1,500	510
Total resources expended		40,720	40,720	33,088
Net expenditure for the year/ Net movement in funds		(4,662)	(4,662)	(2,318)
Fund balances at 1 December 2016		67,092	67,092	69,410
Fund balances at 30 November 2017		62,430	62,430	67,092

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

MACCLESFIELD MAJESTIC THEATRE GROUP

STATEMENT OF FINANCIAL POSITION

AS AT 30 NOVEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Property, plant and equipment	10		16,861		18,730
Current assets					
Trade and other receivables	12	1,533		2,954	
Cash at bank and in hand		46,344		52,243	
		<u>47,877</u>		<u>55,197</u>	
Current liabilities	14	(2,308)		(6,835)	
Net current assets			45,569		48,362
Total assets less current liabilities			<u>62,430</u>		<u>67,092</u>
Income funds					
Unrestricted funds			62,430		67,092
			<u>62,430</u>		<u>67,092</u>

The accounts were approved by the Trustees on 21 March 2018

P Maurice
Trustee

MACCLESFIELD MAJESTIC THEATRE GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2017

1 Accounting policies

Charity information

Macclesfield Majestic Theatre Group is a registered charity, registered on 14 December 1998 under the declaration of trust executed on that date.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These accounts for the year ended 30 November 2017 are the first accounts of Macclesfield Majestic Theatre Group prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 December 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

MACCLESFIELD MAJESTIC THEATRE GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

1 Accounting policies

(Continued)

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Income is deferred when admission fees are received in advance of the performance to which they relate.

1.5 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT and is reported as part of the expenditure to which it relates:

- Expenditure on raising funds includes all expenditure incurred to raise funds for charitable purposes.
- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other costs include all expenditure which is neither related to raising funds for the charity nor part of its expenditure on charitable activities.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Equipment	10% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

MACCLESFIELD MAJESTIC THEATRE GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

1 Accounting policies

(Continued)

1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

MACCLESFIELD MAJESTIC THEATRE GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

2 Donations and legacies

	Unrestricted funds £	Total 2017 £	Total 2016 £
Donations and gifts	3,310	3,310	4,256
	<u>3,310</u>	<u>3,310</u>	<u>4,256</u>
For the year ended 30 November 2016	<u>4,256</u>		<u>4,256</u>
Donations and gifts			
Subscriptions	2,140	2,140	1,820
Sponsorship	915	915	1,910
Gift aid	-	-	446
Donations	255	255	80
	<u>3,310</u>	<u>3,310</u>	<u>4,256</u>

3 Charitable activities

Ticket sales	29,465	22,813
	<u>29,465</u>	<u>22,813</u>
Analysis by fund		
Unrestricted funds	29,465	
	<u>29,465</u>	
For the year ended 30 November 2016		
Unrestricted funds		22,813
		<u>22,813</u>

4 Other trading activities

Income from costume hire	149	149	707
Programme sales	760	760	472
Royalties and scripts	140	140	-
Raffle sales	1,073	1,073	802
Ice cream and sweet sales	756	756	1,320
NODA awards	33	33	-
	<u>2,911</u>	<u>2,911</u>	<u>3,301</u>
Other trading activities			

MACCLESFIELD MAJESTIC THEATRE GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

5 Investments

	Unrestricted funds £	Total 2017 £	Total 2016 £
Building Society Interest (Gross)	372	372	400
	<u>372</u>	<u>372</u>	<u>400</u>
For the year ended 30 November 2016	<u>400</u>		<u>400</u>

6 Raising funds

Costs of social events	-	-	26
Ice cream purchases	114	114	634
Publicity	1,074	1,074	694
	<u>1,188</u>	<u>1,188</u>	<u>1,354</u>
For the year ended 30 November 2016			
Fundraising and publicity	1,354		1,354
	<u>1,354</u>		<u>1,354</u>

MACCLESFIELD MAJESTIC THEATRE GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

	2017 £	2016 £
7 Charitable activities		
Depreciation	1,869	2,088
Theatre hire	7,000	5,000
Royalties, scores etc.	4,536	2,910
Orchestra	3,505	3,150
Rehearsal rooms	6,000	6,000
Light and sound	4,108	4,179
Stage	3,757	1,438
Producers/ choreography	-	300
Props	117	263
Gas supply	1,707	1,590
NODA subscriptions	187	198
NODA awards ceremony	30	211
Printing, stationery and postage	599	963
Repairs and renewals	526	622
Wardrobe	1,586	144
Insurance	1,083	1,055
Gifts and flowers	549	287
Telephone	132	323
Internet subscription	548	240
Photocopier	33	263
DVD's	100	-
Professional chaperone	60	-
	<u>38,032</u>	<u>31,224</u>
Analysis by fund		
Unrestricted funds	<u>38,032</u>	
	<u>38,032</u>	
For the year ended 30 November 2016		
Unrestricted funds		<u>31,224</u>
		<u>31,224</u>

8 Trustees

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

MACCLESFIELD MAJESTIC THEATRE GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

9 Other

	Unrestricted funds	Total 2017 £	Total 2016 £
Independent examination	1,500	1,500	510
	1,500	1,500	510
For the year ended 30 November 2016	510		510

10 Property, plant and equipment

	Central Heating £	Radio microphones and lighting £	Photocopier and printer £	Stage materials, costumes etc £	Total £
Cost					
At 1 December 2016	5,758	15,707	2,208	33,977	57,650
At 30 November 2017	5,758	15,707	2,208	33,977	57,650
Depreciation and impairment					
At 1 December 2016	4,573	5,990	1,637	26,720	38,920
Depreciation charged in the year	119	971	79	700	1,869
At 30 November 2017	4,692	6,961	1,716	27,420	40,789
Carrying amount					
At 30 November 2017	1,066	8,746	492	6,557	16,861
At 30 November 2016	1,185	9,717	571	7,257	18,730

11 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	337	574
Carrying amount of financial liabilities		
Measured at amortised cost	2,308	6,835

MACCLESFIELD MAJESTIC THEATRE GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

12 Trade and other receivables

	2017 £	2016 £
Amounts falling due within one year:		
Trade receivables	337	574
Prepayments and accrued income	1,196	2,380
	<u>1,533</u>	<u>2,954</u>

13 Borrowings

	2017 £	2016 £
Other loans	1,050	1,750
	<u>1,050</u>	<u>1,750</u>
Payable within one year	1,050	1,750
	<u>1,050</u>	<u>1,750</u>

14 Current liabilities

	2017 £	2016 £
Borrowings	1,050	1,750
Accruals and deferred income	1,258	5,085
	<u>2,308</u>	<u>6,835</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2016- none).