

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
FOR
STAGE 2 YOUTH THEATRE COMPANY**

J W Hinks LLP
Chartered Accountants
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and Activities

The charitable company's object is to promote, improve, develop and maintain public education and the appreciation of theatre and drama in all its aspects by, but not limited to:

- a) the preparation and presentation of theatre and music theatre performances by young people; and
- b) the provision of workshops in theatre and drama skills and related areas.

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

OBJECTIVES AND ACTIVITIES

Review of activities

Membership

We are extremely happy to be maintaining our Mentoring Culture and to be attracting many members with specific needs or challenges; such members now make up over half the company. We have a well-established reputation for providing a safe and secure environment where members are all encouraged to reach their maximum potential and find a niche - word of mouth is very effective in this area. It is important we are a truly integrated company with members working enthusiastically and dynamically alongside each other in every area to produce positive and high standard results.

During this financial year, our membership numbers have again dropped from last year's figures of Summer Term - 81 members (94 in 17/18) followed by 72 members in Autumn (94 in 17/18) and 71 in Spring (99 in 17/18). We have based our budgets for the next financial year on an estimated 70 members for Summer, 80 for Autumn and 75 for Spring and hope to meet, then stabilise at these targets. From now on we will be up to date with our Gift Aid reclaims so these will go directly into the Fees category to show a realistic income stream. The introduction of £10 Taster Days has allowed us to attract new members who may otherwise have been hesitant about joining and we are looking to develop these further.

We continue to liaise with a number of other organisations who work with young people, including some specifically involved in dance & theatre as well as further education etc. and this downward trend of young people committing to extra-curricular activities shows no sign of abating. Children perceive they are communicating via social media (reportedly an average of 7 hours per day), rather than actively getting out and meeting people. They are also less inclined to make long term commitments to societies/options - often due to the increasing pressures of school. The Kids' Advisory Board, introduced last year, has continued to be a valuable tool to get feedback and ideas directly from members in order to ensure we provide opportunities that young people are able to, and happy to, engage with. We will continue to monitor numbers and make adjustments to our activities and budgets as and when necessary. We are still retaining a core of people who return each term because they have a history with the company or they want extra opportunities outside of acting which other companies do not offer to the same degree.

Subsidy Fund

We continue to operate a Subsidy Policy to ensure that no young person is ever excluded from taking part in any area of **Stage2** due to financial challenges. This straightforward & simple policy covers every aspect of the company including term's fees, LAMDA lessons, trips and outings, Drama School audition expenses etc. This Fund is paramount to all our aims and objectives and a vital part of our Equal Opportunities/Diversity policies. Over the course of the year, we have honoured over 80 claims for either full bursaries or part subsidies depending on the individual circumstances. The very popular weeklong trip to Butlin's was repeated again in October 2018 after the success of last year's trip and two company members received subsidies in order to enable them to attend. We continue to have a small set of funders who repeatedly give to the Subsidy Fund and are continuing to identify new sources of funding and build new relationships.

Work Experience

Mentors - The Mentor Scheme is now run directly by a Mentor Manager & Assistant Mentor Manager who are members of the company. This gives the candidates excellent experience in leadership, planning, organising, team building etc., attributes that transfer well to UCAS Personal Statements! (Last year's Manager was offered a full set of 5 unconditional places at University due to her Personal Statement.) They steer the group and coordinate training, rotas and the Buddy Scheme on a day-to-day basis and create, develop and implement improvements as necessary. They are also responsible for the comprehensive interview process for the following year's team. They oversee the team and feed back to Core Staff as appropriate. The scheme continues to develop and evolve.

Tutor Training - We have had 5/6 Trainee Tutors at any one time, and during the last year 2018 - 2019 we have continued to train some of our older and most experienced members to take on roles such as Workshop Assistants, Assistant Directors, Workshop Leaders, **Stage1** Co-ordinator etc. This has given them theoretical training and practical support, enabling them to feel empowered and confident in each of these areas, often with a view to building on these skills and future careers. In this financial year we are delighted to announce that 2 Trainee Tutors qualified as LAMDA Tutors - a skill they will be able to take forward and use whenever time permits. We are also delighted that another Trainee Tutor has been offered employment with our Accountants. We are pleased their abilities are being recognised in this way. The Trainee Tutors make up the Management Team along with Core Staff and a member of the Board, consistently monitoring and evaluating all areas.

OBJECTIVES AND ACTIVITIES

Review of activities

Technical Training - We continue to have a Technical/Backstage team on each production made up completely of members. We offer training in a wide range of roles including Stage Managers, Production Assistant, Lighting Operator, Sound Operator, Costume Assistant and Projection. Last year we reduced productions, only holding the **YDF Festival** in the Hexagon at mac, so technical opportunities were limited, but this will build back up with reintroduction of Summer Shows at The Crescent in future Summer Terms. The team is now lead by a Technical Leader, again an experienced member of the company who acts as link between members, staff and venue professionals. All these members get theoretical training from industry specialists, then practical hands on experience as they carry out their role for production week, Showcase Evenings and Mentorvents etc.. In the past many of these Technical Leaders have been offered employment by the venues after impressing site staff.

We continue to offer individually tailored programmes ranging from one off sessions to full weeks to year long placements as and when we are approached and there is suitable work available. We are very proud that we have such a diverse and exciting Work Experience Programme that we continue to offer to all our members, in which they gain invaluable skills in a wide variety of roles, often discovering a new career path. We feel it is becoming increasingly important that all young people develop transferable skills as well as an insight into professional working practices to best equip them for the workplace. We consider it of paramount importance that our members become dynamic, confident and employable, enthusiastic, reliable people who will be positive, active citizens.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

OBJECTIVES AND ACTIVITIES

Review of activities

Productions and Project Options

This year was the first year we chose not to do a production each term, this was due to a lower demand from members, rising theatre hire costs and a simplifying of output during the transitional staff handover (The Artistic Director stepping back after 30 years and the Company Manager being worthily promoted up.) In place of productions we offered a variety of exciting and engaging Project Options.

Project: Shakespeare's Complete Works **By Liz Light**

To launch **Stage2's** brand new Project Option, members were able to study all William Shakespeare's 37 (sole authorship) plays. We looked at 3 or 4 a week, giving a brief insight into every single one.

In the morning the group focussed on theory - extremely useful as many of these members were studying English at school so were using the workshop to consolidate and improve upon their knowledge. We used handouts to explore the sources, themes, concepts and characters of the plays, as well as any interesting random facts (to help distinguish between them!). We also identified the most useful quotes to learn for future essays! We covered the plays in the RSC's chronological order so members were able to get to see how Shakespeare's career developed through the four stages of Apprenticeship, Growing Mastery, Maturity and Serenity. This morning group also produced some small performances that were performed at our termly Showcase Evening.

In the afternoon we presented 5-minute versions of every play - again in chronological order. The majority were presented in a fast-moving madcap way (regardless of whether they were a tragedy, history, romance or comedy) to enable everyone to participate and connect fully and understand the stories, but some were presented as serious shows and tableaux. The afternoon group also performed some of their work at the Showcase Evening.

Young Director's Festival

By Alex Butler

21st - 22nd December 2018

The Hexagon Theatre, MAC

Following feedback from several members, **Stage2** decided to offer the exciting opportunity for any member to discover the skills and techniques needed to Direct or Produce their own work.

During the morning each week we covered a different stage of the Directing Process including how to create concepts, how you finalise your casting and how you prepare your budget! This morning option included some practical exercises when appropriate but, due to its theoretical nature, there was a lot of listening, handouts & discussion-lead activities covering a wide range of topics. It was a fantastic introduction to a host of new areas and a useful insight into future potential careers.

During the afternoon we worked towards several short performances with 6 of them being presented at The Hexagon Theatre. All were directed by members of the company following a selection process that required them to do a formal presentation and interview. They directed groups of their peers for the term, under the overall guidance of Alex. This high level of independence, responsibility and creativity was much appreciated by members and has been factored into future plans. Those who did not want to perform in the theatre had the opportunity to show their work in a more informal event at the end of the term.

Project: Musical Theatre

By George Bandy

We conducted a survey of the topics members would most like to cover in Project Options and Musical Theatre came out on top. We were delighted to be able to employ ex-member George Bandy to lead this project.

The morning section was more theoretical and handout/discussion based. It involved looking at music and performance theory and exploring the finer points of technique for Musical Theatre, along with its comprising elements (singing, acting, and dancing). There was a mixture of handouts, adding your own notes, listening to/discussing examples and working on your own voices. There was also the opportunity to receive guidance and individual feedback when members wanted to bring in solo work to share.

The afternoon was a purely performance-based option with games and exercises, much like a workshop but with an overall topic linking the weeks together. The group looked at various aspects of voice, from breathing techniques, to projection, to relaxation etc. The group also explored famous musicals through the ages with some dance elements provided by the Assistants. The term culminated in a short performance to family and friends to show a snapshot of what the group did throughout the term.

Workshops

As usual, we presented a wide range of workshops this year - always ensuring each term brings great diversity so each child can find an option or combination of options that suits them.

OBJECTIVES AND ACTIVITIES

Review of activities

Summer

In the Summer Term, we held a workshop option in the morning called **Friends and Fun**, which members could choose to do if they wanted a more relaxed session as they were focusing on exams. As mentioned above we ran a project option, **Shakespeare's Complete Works**, with the morning focussed on theory and the afternoon being the practical part of the option. Short pieces from the workshops were shown in the end of term Sharings.

Autumn

In the Autumn Term the **Young Director's Festival** was the main project option. In the morning members focussed on the theory on how to direct and produce their own play. During the afternoon, young directors (who interviewed during the summer term) directed their own short play. The **General Drama** workshop returned in the morning; each week members were able to learn a new skill since each week was self-contained. Topics were voted for by members.

Spring

In the Spring term, the main project option was **Musical Theatre**, introduced due to very popular demand. The morning was slightly more focussed on musical theatre theory through the ages and the afternoon was a practical option with singing, acting, and dancing. During the morning there was also **General Drama**, as usual this workshop was slightly more informal and each week was designed for members to hone their skills - as recommended by staff!

Stage1 continued to operate as usual for our primary school age members (7-11 year olds), and the group provided a great training ground for Workshop Assistants each term. The group was led by 2 Trainee Tutors as well as a member in a Senior Assistant role with a view to future promotion.

All workshops had informal Sharings at the end of each term to show parents, friends and the rest of the company the excellent work they had been doing. We have now moved the Certificate Presentation for Attitude and Attendance to the Sharings, leaving Long Service and Achievement at The Showcase Evenings.

Masterclasses and Q&A sessions

During the Spring Term, 2019 we hosted a workshop run by ArtsEd to help students with Drama School applications. 16 members enjoyed playing drama based games and improvising short pieces as well as being given the opportunity to ask useful questions. The Kids' Advisory Board also returned and this provided a very helpful insight into what our members would like for the future in terms of workshops, productions and future project options.

Awards

This year saw **Stage2** achieve success in many areas;

We once again had a 100% success rate in all **LAMDA** Acting Exams taken over the year, from Entry to Grade 8, with nearly all being at the highest grade of Distinction yet again! We are delighted that numbers are building for these qualifications, rising to 20 candidates in the Summer Term.

We were delighted that all members who attended the **Stage Combat Summer School** passed their British Academy of Stage & Screen Combat Junior Award exam with 3 achieving the prestigious Gold Award. We are very proud that Ella Keavy and Ava Forrest won the Senior and Junior Solo Acting Awards at BDTG's Annual BFAME Festival.

Our Production of **Twinkle, Twinkle, Little Stars** adapted by Liz Light from the works of Gervase Phinn, won the **NODA award for Best Youth Production** of 2018 in our district.

Summer Schools

This year we continued our Taster Week Summer Schools.

Taster Week: Adventure

This taster week was aimed at the younger members of the company and those who could not commit fully to the more intensive stage combat option. Each day focussed on a different skill, so it wasn't necessary for young people to attend each day. The skills covered were; storytelling, improvisation, voice and movement, and characters.

OBJECTIVES AND ACTIVITIES

Review of activities

Stage Combat: BASSC Junior Award:

This was a week-long intensive summer school in which Roger Bartlett (BASSC President) provided the tuition in both armed and unarmed combat as well as all related safety measures. 12 students took part in this week (including one from Germany) and all passed the exam taken at the end of the week.

Qualifications

As usual, we taught LAMDA to any member of **Stage2** who wished to take a LAMDA Exam in Acting or Devising regardless of previous experience.

We also staged our termly Showcase Evening (previously known as the LAMDA Showcase and Certificates Presentation Evening) at the Crescent Theatre, which sees members who are sitting an exam that term perform one of their pieces to an audience of around 200. From Spring 2019 we changed venues for this evening to the smaller Hexagon Theatre due to rising theatre costs and low ticket sales. On these evenings, we also presented certificates to members for Attendance, Attitude, Achievement and Long Service - over the course of the year, we gave out over 150 certificates to our members recognising them in these areas.

Future Plans

Alice in Wonderland

By Alex Butler

During the Summer, **Stage2** takes on the timeless classic, and arguably best-known children's book: **Alice's Adventures in Wonderland** by Lewis Carroll, adapted and re-worked for the stage by Alex Butler.

Lead by a strong-willed Alice, our version focusses on the journey of a young evacuee at the onset of World War II. Her world is turned upside down when she's sent to stay with her puritanical Aunt and Uncle in the English Countryside. Alice quickly learns that the country can be cruel and with no one to turn to, Alice escapes her family only to find herself in a world filled with nonsense and madness: Wonderland.

Whilst the text has been modernised in places, the original nonsensical events of Alice's adventures remain true - with a raucous caucus race, the maddest of tea parties and an extravagant game of croquet in the Queen of Heart's Court. This a play to have a great deal of fun with, whilst still serving as an opportunity to pay homage to and learn about one of the most devastating conflicts in human history.

International Theatre Festival

In Summer we are also delighted to be returning to Lucca for our third visit to Fondazione di Pace, organised and hosted by Teatro Rumore. A group of current and exmembers will present Kate Tempest's **Let Them Eat Chaos**.

The Young Writers' Festival

By Alex Butler

Following the success of last year's **Young Directors' Festival**, **Stage2** returns to the Hexagon Theatre in December to present the **Young Writers' Festival** - it's a celebration of young talent and an excellent way for any budding actor or writer to engage with new and original content.

This option runs across the whole day and members can choose to get involved with either a full or half day- the more of the day you take part in, the more they can perform in.

For members who aren't ready to take a performance to the main-stage, then in the afternoon we will work on an informal devised performance to be showcased to parents, friends and relatives at the end of term Sharing.

Project: tbc

We will consider suggestions from the **Kids' Advisory Board** and interviewing practitioners accordingly.

Workshops

We will continue our wide range of workshops throughout all terms to ensure that members have the opportunity to learn a range of skills in a range of topics and are also able to attend **Stage2** for the whole day.

In the Summer Term we will re-run **Friends and Fun**, as it proved very successful and very popular for those members who need a well-earned break from exams. This option will be run by George Bandy. The contrasting option being **Alice** or an **Offstage** option. This option is an informal afternoon session in which members cover a variety of skills each week. At the end of term work done in the workshops will be performed at the end of term Sharings.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

OBJECTIVES AND ACTIVITIES

Review of activities

In the Autumn Term **General Drama** will return - focussing on Voice, projection and breathing. This is partly due to LAMDA's increasing interest in this area and the changes to their marking system, but in its widest form it will also give members general confidence over speaking in public etc. The group will be relaxed and informal but we will expect dynamism and focus to allow members to develop new skills or build on existing ones. There will be a Sharing at the end of term to show the rest of the company, friends and family what has been learnt. The **Young Writers' Festival** mentioned above is the main project option that will accompany these workshops.

Spring Term Workshops have not been confirmed yet but will complement the Project Option.

Stage1 our group for 7-11 year olds will run every term, led by a new Trainee Tutor as last year's leaders have both are both leaving for University. In **Stage1** members will take part in a number of drama-based games and small acting exercises which will culminate in a performance at the end of term.

Summer Schools

Next year we are once again offering 2 Summer Schools over two weeks and for 8 hours a day.

Poetry for Performance

By Liz Light

A purely practical week, bringing famous poems vividly to life! We will take 4 poems a day and perform them as a group, with solo and choral lines and actions. We will use a range of styles and a range of accents - depending on the style and subject of the piece. The idea is to have fun, but also to help useful quotes and themes stay in your mind for schoolwork or just general cleverness!

We will give priority to the GCSE and 'A' level set poems to really help those young people improve their grades, but will also take suggestions of classics and firm favourites too.

This week is totally suitable for any age as we will not be discussing practical criticism or writing critiques on style etc, just performing great work! Lines and parts will all be flexible (with scripts being used at all times), so members can have as much or as little to do as you wish in each piece.

Creative Writing Course

By Alex Butler

From Plays to Spoken Word, we will challenge what it means to be a writer and how you too can push yourself to improve your work - so whether you're a budding playwright, a poet in the making or a Spoken Word Artist yet to be, this Summer School is ideal for you.

Session content breaks down in to 2 halves each day, of which you are welcome to do both! The Morning will be practical and tailored around gaining the skills needed to write and create your own worlds, characters and ideas, followed by an afternoon that is largely focused on how the work you have created relates to Theory and good practice.

There will be an informal reading "showcase" at the end of the week for members parents, friends and family.

We will also continue to run our satellite project at Kings Heath Primary School.

Maya Bennett 08.06.19

FINANCIAL REVIEW

Reserves policy

It is policy of the trustees to reduce unrestricted reserves to a minimum and to maintain them at this level.

Financial Review

The Statement of Financial Activities for the year ended 31 March 2019 shows incoming resources totalling £80,387 (2018 - £101,887) and resources expended totalling £80,078 (2018 - £103,668), generating net incoming resources of £309 (2018 - net resources expended of £1,781).

The charity's balance sheet is recording total net assets of £36,897 as at 31 March 2019 (2018 - £36,588).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Stage 2 Youth Theatre Company is constituted under a Memorandum and Articles of Association. The charitable company was incorporated on 20 December 2004 as a company limited by guarantee and not having a share capital and was registered as a charity on 21 February 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05317309 (England and Wales)

Registered Charity number

1108213

Registered office

12 Valentine Road
Kings Heath
Birmingham
West Midlands
B14 7AN

Trustees

Z Bhatti
K Lloyd Roberts
S M Pawar
C Groom
B J Nisbet - resigned 7.2.19
K Goodall
E Jurczak
B D Nott
P Parker-Duber
E Tucker
K Dowsett

Independent examiner

Peter Smith ACA
J W Hinks LLP
Chartered Accountants
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

Bankers

HSBC
96 High Street
Kings Heath
Birmingham
B14 7LD

Principal officers

E Light - Artistic Director
A Butler - Company Manager

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

Approved by order of the board of trustees on 10 October 2019 and signed on its behalf by:

K. Goodall

Trustee

KATE GOODALL

Independent examiner's report to the trustees of Stage 2 Youth Theatre Company ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2019.

Responsibilities and basis of report

As the charity's 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 charity'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:

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



Peter Smith ACA
J W Hinks LLP
Chartered Accountants
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

Date: 10 October 2019

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	2,151	5,400	7,551	12,521
Charitable activities	5				
Charitable activities		48,404	-	48,404	66,670
Other trading activities	3	24,331	-	24,331	22,304
Investment income	4	101	-	101	392
Total		74,987	5,400	80,387	101,887
EXPENDITURE ON					
Charitable activities	6				
Salary costs		41,867	-	41,867	46,614
Room hire		4,553	-	4,553	5,114
Production costs		620	-	620	17,398
Activities		19,040	-	19,040	16,621
Subsidy		-	5,730	5,730	8,106
Other grant funded expenditure		1,218	-	1,218	2,104
Overhead costs		7,050	-	7,050	7,711
Total		74,348	5,730	80,078	103,668
NET INCOME/(EXPENDITURE)		639	(330)	309	(1,781)
RECONCILIATION OF FUNDS					
Total funds brought forward		31,159	5,429	36,588	38,369
TOTAL FUNDS CARRIED FORWARD		31,798	5,099	36,897	36,588

The notes form part of these financial statements

STAGE 2 YOUTH THEATRE COMPANY

**BALANCE SHEET
AT 31 MARCH 2019**

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
CURRENT ASSETS					
Debtors	9	2,208	-	2,208	4,468
Cash at bank		<u>41,181</u>	<u>5,099</u>	<u>46,280</u>	<u>49,472</u>
		43,389	5,099	48,488	53,940
CREDITORS					
Amounts falling due within one year	10	<u>(11,591)</u>	-	<u>(11,591)</u>	<u>(17,352)</u>
NET CURRENT ASSETS		<u>31,798</u>	<u>5,099</u>	<u>36,897</u>	<u>36,588</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>31,798</u>	<u>5,099</u>	<u>36,897</u>	<u>36,588</u>
NET ASSETS		<u>31,798</u>	<u>5,099</u>	<u>36,897</u>	<u>36,588</u>
FUNDS	11				
Unrestricted funds				31,798	31,159
Restricted funds				<u>5,099</u>	<u>5,429</u>
TOTAL FUNDS				<u>36,897</u>	<u>36,588</u>

The notes form part of these financial statements

BALANCE SHEET - CONTINUED
AT 31 MARCH 2019

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2019.

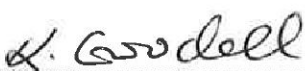
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

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

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

The financial statements were approved by the Board of Trustees on 10 OCTOBER 2019 and were signed on its behalf by:


.....

Trustee

KATE GOODALL

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

EXPENDITURE

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

TAXATION

As a charitable company, Stage 2 Youth Theatre Company, is exempt from tax on income and gains falling within sections 481-489 of the CTA 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen within the charitable company.

FUND ACCOUNTING

Restricted funds

Restricted funds represent grants and donations which are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Unrestricted funds and designated funds

Unrestricted funds represent funds that are expendable at the discretion of the Directors in the furtherance of the objects of the charitable company. Such funds may be held in order to finance both working capital and capital investment. Designated funds are those funds which are unrestricted in nature but which have been designated by the Directors to be used in a particular manner.

TANGIBLE FIXED ASSETS AND DEPRECIATION

The charitable company does not capitalise the costs of set or costumes on the basis that it is considered that they have a useful economic life of one year. Accordingly, these costs are fully expensed in the year of purchase.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

2. DONATIONS AND LEGACIES

	2019	2018
	£	£
Subsidy / donations	5,400	9,900
Grants	<u>2,151</u>	<u>2,621</u>
	<u>7,551</u>	<u>12,521</u>

Grants received, included in the above, are as follows:

	2019	2018
	£	£
Mentors	951	971
Staff Development	<u>1,200</u>	<u>1,650</u>
	<u>2,151</u>	<u>2,621</u>

3. OTHER TRADING ACTIVITIES

	2019	2018
	£	£
Photograph sales	532	1,482
LAMDA	9,775	7,253
Short course	2,107	2,334
Residential	6,435	6,490
Summer schools	2,780	4,745
D&P project	<u>2,702</u>	<u>-</u>
	<u>24,331</u>	<u>22,304</u>

4. INVESTMENT INCOME

	2019	2018
	£	£
Investment income	12	4
Other income	<u>89</u>	<u>388</u>
	<u>101</u>	<u>392</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2019	2018
		£	£
Student fees	Charitable activities	48,164	50,885
Ticket sales	Charitable activities	<u>240</u>	<u>15,785</u>
		<u>48,404</u>	<u>66,670</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

6. CHARITABLE ACTIVITIES COSTS

	2019	2018
	£	£
Production costs		
Printing	620	2,594
Copyright	-	795
Set	-	1,434
Lighting	-	294
Theatre hire	-	12,281
	<u>620</u>	<u>17,398</u>

	2019	2018
	£	£
Activity costs		
Photographs	152	299
Specials	-	796
LAMDA	10,724	7,689
Short course	-	189
Residentials	5,587	4,714
Chaperones	-	2,734
Summer school	1,341	200
D&P project	1,236	-
	<u>19,040</u>	<u>16,621</u>

	2019	2018
	£	£
Other grant funded expenditure		
Mentors	919	844
Staff Development	299	1,260
	<u>1,218</u>	<u>2,104</u>

	2019	2018
	£	£
Overhead costs		
Accountancy fees	1,680	1,680
Insurance	1,397	1,329
Travel	540	617
Hospitality	133	89
Telephone	132	127
Postage and stationery	3,061	3,370
Miscellaneous	107	499
	<u>7,050</u>	<u>7,711</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 March 2019 nor for the year ended 31 March 2018.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

8. STAFF COSTS

	2019	2018
	£	£
Core and contract		
Wages and salaries	41,223	47,887
Social security costs	-	1,271
Pension costs	644	285
	<u>41,867</u>	<u>49,443</u>

The average number of employees during the year was:

	No.	No.
Drama support	1	1
Administrative support	1	1
	<u>2</u>	<u>2</u>

No employee earned in excess of £60,000.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	73	42
Prepayments	2,135	4,426
	<u>2,208</u>	<u>4,468</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Social security and other taxes	1,129	4,192
Deferred income	4,140	5,973
Accrued expenses	6,322	7,187
	<u>11,591</u>	<u>17,352</u>

11. MOVEMENT IN FUNDS

	At 1.4.18	Net movement in funds	At 31.3.19
	£	£	£
Unrestricted funds			
General fund	27,159	(262)	26,897
Subsidy Fund 2	4,000	-	4,000
Staff Development Fund	-	901	901
	<u>31,159</u>	<u>639</u>	<u>31,798</u>
Restricted funds			
Subsidy Fund 1	5,429	(330)	5,099
	<u>5,429</u>	<u>(330)</u>	<u>5,099</u>
TOTAL FUNDS	<u>36,588</u>	<u>309</u>	<u>36,897</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

11. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	73,787	(74,049)	(262)
Staff Development Fund	<u>1,200</u>	<u>(299)</u>	<u>901</u>
	74,987	(74,348)	639
Restricted funds			
Subsidy Fund 1	5,400	(5,730)	(330)
TOTAL FUNDS	<u>80,387</u>	<u>(80,078)</u>	<u>309</u>

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted Funds				
General fund	19,656	(4,092)	11,595	27,159
Subsidy Fund 2	4,000	-	-	4,000
Staff Development Fund	<u>9,936</u>	<u>390</u>	<u>(10,326)</u>	-
	33,592	(3,702)	1,269	31,159
Restricted Funds				
Subsidy Fund 1	3,635	1,794	-	5,429
Mentors Fund	<u>1,142</u>	<u>127</u>	<u>(1,269)</u>	-
	4,777	1,921	(1,269)	5,429
TOTAL FUNDS	<u>38,369</u>	<u>(1,781)</u>	<u>-</u>	<u>36,588</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

11. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	89,366	(93,458)	(4,092)
Staff Development Fund	<u>1,650</u>	<u>(1,260)</u>	<u>390</u>
	91,016	(94,718)	(3,702)
Restricted funds			
Subsidy Fund 1	9,900	(8,106)	1,794
Mentors Fund	<u>971</u>	<u>(844)</u>	<u>127</u>
	10,871	(8,950)	1,921
TOTAL FUNDS	<u>101,887</u>	<u>(103,668)</u>	<u>(1,781)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	19,656	(4,354)	11,595	26,897
Subsidy Fund 2	4,000	-	-	4,000
Staff Development Fund	9,936	1,291	(10,326)	901
Restricted funds				
Subsidy Fund 1	3,635	1,464	-	5,099
Mentors Fund	<u>1,142</u>	<u>127</u>	<u>(1,269)</u>	-
	4,777	1,591	(1,269)	5,099
TOTAL FUNDS	<u>38,369</u>	<u>(1,472)</u>	-	<u>36,897</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

11. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	163,153	(167,507)	(4,354)
Staff Development Fund	2,850	(1,559)	1,291
	<u>166,003</u>	<u>(169,066)</u>	<u>(3,063)</u>
Restricted funds			
Subsidy Fund 1	15,300	(13,836)	1,464
Mentors Fund	971	(844)	127
	<u>16,271</u>	<u>(14,680)</u>	<u>1,591</u>
TOTAL FUNDS	<u>182,274</u>	<u>(183,746)</u>	<u>(1,472)</u>

Restricted funds:

The Subsidy Fund 1 is a fund set aside to ensure that no member of the company is ever excluded from taking part in activities due to financial challenges. It is a rolling scheme and the balance will be carried forward to be used in the future.

Designated funds:

The Subsidy Fund 2 is a fund set aside by the directors in the savings account to ensure that no member of the company is ever excluded from taking part in activities due to financial challenges. It is a rolling scheme and the balance will be carried forward to be used in the future. In the same way a balance exists in the savings account in respect of the general unrestricted funds.

The Staff Development Fund represents a fund set aside to contribute towards the development of the staff at the company.

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2019.

13. LIABILITY OF THE MEMBERS

The liability of the members as set out in the Memorandum of Association of the company is as follows:

"Every company member promises, if the company is wound up whilst he is a company member or within one year after ceasing to be a company member, to contribute such amount as is required up to a maximum of £1 towards the costs of winding up the company and liabilities incurred whilst the contributor was a company member."

14. DONATIONS AND ACKNOWLEDGEMENT

We are very grateful to the following trusts, companies and individuals for their generous support this year. Without them it would have been impossible to offer such a wide range of opportunities to such a wide range of young people and to such a high standard.

Subsidy Fund

To enable members to draw down full subsidies or part bursaries for any aspect of Stage2 eg Fees, exams, tickets, photos, residential etc. This ensures no-one is excluded from anything due to a financial challenge.

The Grimmer Trust
The L and R Gilley Trust
W.E.Dunn Charitable Trust
Lord Austin Trust
Douglas Turner Trust
Baron Davenport

Staff Development

To enable the company to employ an individual on the Apprenticeship scheme as well as funding additional administration support to enable the company to continue to its high standard.

Anonymous - family of a member

Gifts in Kind / Reduced Rates

For free consultancy advice, support or services.

Birmingham Conservatoire - room hire
Big Yellow Self Storage - storage of sets and resources