

**TRUE COLOURS THEATRE CIO**

**REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**31 OCTOBER 2022**

Registered charity number 1192136

**TRUE COLOURS THEATRE CIO**  
**REPORT AND FINANCIAL STATEMENTS**

**31 OCTOBER 2022**

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**TRUE COLOURS THEATRE CIO**  
**REFERENCE AND ADMINISTRATIVE DETAILS**

**31 OCTOBER 2022**

**Charity number:** 1192136

**Website:** [www.truecolourstheatre.co.uk](http://www.truecolourstheatre.co.uk)

**Trustees serving during the year**

Dan Murphy	Chair
Alison Henderson	Safeguarding Lead
Chris Renforth	Treasurer
Nicola Warren	
Zoe Moat	
Ian Shaw	
Gemma Jenkins	Resigned
David Rowell	Resigned
Sophia Ainsworth	Resigned
Malcolm Cain	Resigned
Antonia Blakeman	Appointed 28/01/2022
Kimberley Elliott	Appointed 08/02/2022
Steven Udale	Appointed 16/02/2022

**Address**

True Colours Theatre  
Room 9, The Oxford Centre  
West Farm Avenue  
Newcastle upon Tyne  
NE12 8LT

**Bankers**

National Westminster Bank Plc

**TRUE COLOURS THEATRE CIO**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD ENDED 31 OCTOBER 2022**

The trustees are pleased to present their report together with the unaudited financial statements of the Charity for the period 3 November 2021 to 31 October 2022..

Reference and administrative details set out on page 1 form part of this report. The financial statements comply with the Charities Act 2011, 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 – Charities SORP FRS102.

**Structure, governance and management**

Appointment of trustees

Trustees are appointed or reappointed annually at the Annual General Meeting. We ask all nominated trustees to submit an application form. The current trustees then vote to decide whether the appointment would be beneficial to the charity.

All trustees shall retire from office each year at the AGM but are eligible for re-election.

**Objectives and activities**

True Colours Theatre provide inclusive performing arts classes for children and young adults. 99% of our members have additional needs, disabilities, mental health and/or are part of the LGBTQ+ community. Our classes take place in North Tyneside and Gateshead every weekend and we have a current membership of 160. We also offer outreach programmes for organisations and charities.

We create a safe space, a place full of acceptance, where everyone can grow in confidence without any stigma or difference.

**Public benefit statement**

In planning and carrying out the Charity's activities for the year, the trustees have considered the guidance produced by the Charity Commission on public benefit including the guidance 'public benefit: running a charity (PB2)' and are confident that this is achieved through the activities described.

**Achievements and performance**

True Colours Theatre has supported over 160 children and young people to access performing arts classes and a further 800 through partnership working. We have increased membership by 200% since the first lockdown and have continued to support families through the challenges and anxieties the pandemic has caused for people with additional needs. We were one of the shortlisted finalists for The Community Organisation Award for Age at The National Diversity Awards 2021. We have recently won the Children with Disabilities Award at The National Children & Young People Awards 2022.

**TRUE COLOURS THEATRE CIO**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD ENDED 31 OCTOBER 2022**

**Financial review**

During the 2021/22 financial year the charity generated a surplus of £24,034 (2021: £7,691) of which £8,491 was restricted (2021: £NIL). The surplus was due primarily to an increase in both the level of charitable activities performed and successful fundraising. Grants levels have also been more than maintained. At 31 March 2022 the Charity had net assets of £31,725 (2021: £7,691) of which £8,491 was restricted (2021: £NIL).

**Reserves policy and going concern**

The purpose of the Reserve Policy for True Colours Theatre is to ensure the stability of the programmes and the ongoing operations of the charity by providing an internal source of funds for situations such as a sudden increase in expenses, one time unbudgeted expenses, unanticipated loss in funding, or uninsured losses.

The Reserves Policy is to retain enough unrestricted funds at any given time to support 3 months core costs (including staffing and room hire), the remainder being "free reserves". At 31 October 22 unrestricted reserves stood at £23,234 and 3 months core costs were estimated to be £5,500, which would leave £17,734 in free reserves.

There are no going concern issues. The charity has been successful in securing funding over the past 12 months and has also generated increased funds from fundraising and its core purpose of the provision of performing arts classes.

**Responsibilities of the trustees**

Charity Law requires the Trustees to prepare financial statements for each financial year which comply with the regulations set out in the Charity's Act

The trustees 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.

On behalf of the trustees



Dan Murphy  
Chair  
14 June 2023



## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF

### TRUE COLOURS THEATRE CIO

I report to the charity trustees on my examination of the accounts of the company for the period ended 31 October 2022, which are set out on pages 5 to 10.

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

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act"). The Trustees consider that an audit is not required and that an independent examination is needed.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **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 statement below.

#### **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:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



D R Scott  
4 Meresyde  
Leam Lane Estate  
Gateshead  
NE10 8UL  
14 June 2023



**TRUE COLOURS THEATRE CIO**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE PERIOD 3 NOVEMBER 2021 TO 31 OCTOBER 2022**

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>Income from:</b>					
Donations, grants and legacies	3	-	17,806	17,806	13,758
Charitable activities	4	63,821	1,865	65,686	23,755
<b>Total income</b>		<u>63,821</u>	<u>19,671</u>	<u>83,492</u>	<u>37,513</u>
<b>Expenditure on:</b>					
Raising funds		13,777	-	13,777	3,174
Charitable activities		34,501	11,180	45,681	26,648
<b>Total expenditure</b>	5	<u>48,278</u>	<u>11,180</u>	<u>59,458</u>	<u>29,822</u>
<b>Net (expenditure) income</b>		15,543	8,491	24,034	7,691
<b>Transfers between funds</b>		-	-	-	-
<b>Net movement in funds for the year</b>		15,543	8,491	24,034	7,691
<b>Reconciliation of funds</b>					
Total funds brought forward		7,691	-	7,691	-
<b>Total funds carried forward</b>		<u>23,234</u>	<u>8,491</u>	<u>31,725</u>	<u>7,691</u>

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

The notes on pages 7 to 10 form part of these financial statements

**TRUE COLOURS THEATRE CIO**

**BALANCE SHEET**

**AS AT 31 OCTOBER 2022**

	Note	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Tangible assets	6		371		-
<b>Current assets</b>					
Cash at bank and in hand		29,254		7,691	
Debtors	7	2,500		-	
		<u>31,754</u>		<u>7,691</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(400)</u>		<u>-</u>	
<b>Net current assets</b>			31,354		7,691
<b>Creditors: amounts falling due after more than one year</b>			-		-
<b>Net assets</b>			<u>31,725</u>		<u>7,691</u>
<b>Funds of the charity</b>					
Unrestricted income funds			23,234		7,691
Restricted income funds	9		8,491		-
<b>Total charity funds</b>			<u>31,725</u>		<u>7,691</u>

The financial statements were approved and signed by the Trustees and authorised for issue on.....

Dan Murphy  
Chair



The notes on pages 7 to 10 form part of these financial statements.

TRUE COLOURS THEATRE CIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 OCTOBER 2022

**1. Legal status of the charity**

The charity is a Charitable Incorporated Organisation (CIO) and the liability of the trustees is limited.

**2. Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**a) Basis of preparation**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated. They 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 Charities SORP FRS 102 (1 January 2019).

The financial statements are prepared in sterling which is the functional and presentation currency of the charity.

**b) Preparation of the accounts on a going concern basis**

The Trustees have reviewed its cash flow forecasts and there is a reasonable expectation that the charity has adequate resources to continue in operational existence for at least the next twelve months and on this basis the Trustees consider that the charity is a going concern.

**c) Fund accounting - Unrestricted and restricted funds**

Unrestricted funds are donations and other income receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds are given for a specific purpose and further details are provided in the notes to the financial statements.

**d) Fixed assets and depreciation**

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

Fixtures and equipment	- 25% per annum on a reducing balance basis
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**e) Cash at bank**

Cash at bank consists of a National Westminster Bank plc current account.

**f) Creditors and provisions**

Liabilities 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.

**g) Income recognition**

All income is included in the statement of financial activities when the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are received by way of grants and donations and are included in full in the statement of financial activities 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.

**TRUE COLOURS THEATRE CIO**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 OCTOBER 2022**

**2. Accounting policies (continued)**

**j) Expenditure recognition**

Expenditure is recognised as soon as 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. All expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure on raising funds comprise the costs incurred in raising income from grants and donations.

Charitable expenditure comprises all costs of activities in furtherance of the objects of the charity.

Governance costs are the costs associated with the governance arrangements of the charity, and in connection with compliance with constitutional and statutory requirements.

**3. Donations, grants and legacies**

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
North Tyneside Council - HAF funding	-	10,430	10,430	3,189
Community Foundation	-	4,876	4,876	-
CareTech Foundation	-	2,500	2,500	-
National Lottery	-	-	-	6,736
NTC Capacity Fund	-	-	-	833
Ecclesiastical	-	-	-	1,000
Arnold Clark	-	-	-	1,000
Persimmon	-	-	-	1,000
	-	17,806	17,806	13,758

**4. Income from charitable activities**

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Classes	23,541	-	23,541	11,547
Outside classes	3,580	-	3,580	-
True Colours Ball	7,546	-	7,546	-
Fundraising - general	16,870	-	16,870	5,588
Fundraising - panto	8,965	-	8,965	-
Fundraising - Annabelle's Rainbow	-	1,865	1,865	-
Outreach	-	-	-	2,034
Sale of merchandise	1,560	-	1,560	1,113
Other events	1,759	-	1,759	593
Transfer from Unincorporated Association	-	-	-	2,880
	63,821	1,865	65,686	23,755

**TRUE COLOURS THEATRE CIO**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 OCTOBER 2022**

<b>5. Total expenditure</b>	<b>Raising funds</b>	<b>Charitable activities £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Direct costs</b>				
Teaching Contractors	-	17,969	17,969	4,225
Class materials and equipment	-	2,795	2,795	7,200
True Colours Ball costs	8,443	-	8,443	-
Additional event costs	-	15,350	15,350	6,604
Room hire	-	4,766	4,766	4,644
Sundry expenses	1,006	715	1,721	912
Merchandise and promotion costs	4,328	-	4,328	3,174
Entertainment	-	1,680	1,680	-
<b>Support costs</b>				
Insurance	-	446	446	830
Office costs	-	738	738	1,047
Travel expenses	-	489	489	1,186
Depreciation	-	183	183	-
<b>Governance costs</b>				
Independent examination costs	-	550	550	-
	<u>13,777</u>	<u>45,681</u>	<u>59,458</u>	<u>29,822</u>

**Trustees' remuneration and related party transactions**

The Trustees did not receive any emoluments during the year and were not paid or reimbursed for any expenses.

During the year, emoluments were paid to the partner of a Trustee in respect of their duties with the charity. The Trustees have confirmed that procedures are in place to avoid any potential conflict of interest.

**TRUE COLOURS THEATRE CIO**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 OCTOBER 2022**

<b>6. Tangible fixed assets</b>					
			<b>Fixtures and equipment</b>		<b>Total</b>
			<b>£</b>		<b>£</b>
<b>Cost</b>					
At 3 November 2021			-		-
Additions			554		554
<b>At 31 October 2022</b>			<u>554</u>		<u>554</u>
<b>Depreciation</b>					
At 3 November 2021			-		-
Charge for the year			183		183
<b>At 31 October 2022</b>			<u>183</u>		<u>183</u>
<b>Net book value</b>					
<b>At 31 October 2022</b>			<u>371</u>		<u>371</u>
At 3 November 2021			-		-
<b>7. Debtors</b>			<b>2022</b>		<b>2021</b>
			<b>£</b>		<b>£</b>
CareTech Foundation			<u>2,500</u>		<u>-</u>
<b>8. Creditors: amounts falling due within one year</b>			<b>2022</b>		<b>2021</b>
			<b>£</b>		<b>£</b>
Accruals			400		-
			<u>400</u>		<u>-</u>
<b>9. Restricted income funds</b>					
	<b>Balance</b>		<b>Movement</b>		<b>Balance</b>
	<b>2021</b>	<b>Income</b>	<b>in resources:</b>	<b>Transfer</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>Expenditure</b>	<b>£</b>	<b>£</b>
			<b>£</b>		
NTC Holiday activities and food programme	-	10,430	(10,430)	-	-
Community Foundation		750	(750)	-	-
Community Foundation	-	4,126	-	-	4,126
Annabelle's Rainbow	-	1,865	-	-	1,865
CareTech Foundation	-	2,500	-	-	2,500
	<u>-</u>	<u>19,671</u>	<u>(11,180)</u>	<u>-</u>	<u>8,491</u>