

REGISTERED COMPANY NUMBER: SC066490 (Scotland)  
REGISTERED CHARITY NUMBER: SC005050

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021  
FOR  
CUMBERNAULD THEATRE TRUST LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**



**CUMBERNAULD THEATRE TRUST LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2021**

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## CUMBERNAULD THEATRE TRUST LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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The trustees who are also directors of the charitable company for the purposes of the Companies Act 2006, present their report with the financial statements of the charitable company for the year ended 31 March 2021. 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 2019).

#### OBJECTIVES AND ACTIVITIES

To develop the conditions and skills for culture to thrive in Cumbernauld, to nurture, produce and present all forms of performing and visual arts, film and media arts, moving image visual arts, live arts streaming and recognised arts genres with critical content, exhibitions and such other similar events for the appreciation and enrichment of the communities of Cumbernauld and North Lanarkshire and visitors to the area.

To work with our creative community to deliver artistic activities that promote artistic skills acquisition, creative confidence, creative participation and belonging and which in the long term, empowers our community through creativity.

To advocate and support arts programming, arts creative learning and community engagement in partnership with public bodies, other charities and community organisations who use art to support policy areas for health and wellbeing through art therapy, education, reducing inequality, encouraging diversity, and realising an environmentally sustainable future.

To produce and present a performing arts programme that celebrates cultural excellence, the innovative, critically challenging, the original, ever-changing, and dynamic forms of Scottish Culture.

To engage with our local community on our arts program decision making in an open and inclusive way to ensure that it reflects and meets the needs of our community.

#### Achievement and performance

Cumbernauld Theatre planned to be closed from April 2020 to August 2020, to move out of the Cottage Theatre building as part of a long-term capital plan and re-start operations with the launch of a new arts centre, Lanternhouse in September 2020. However, due to the Covid 19 pandemic impact of National lockdowns, restricted movement, the closure of all but essential services across the country these plans did not come to fruition. The actual outcomes of the year were significantly different, and Cumbernauld Theatre remained closed for the entire duration of April 2020- March 2021.

Without a facility or operational staff capacity the charitable company was not able to produce any artistic outputs, with a reduced administrative and management capacity the focus for the year was on organisational development. The position was shared with core revenue funders Creative Scotland and North Lanarkshire Council and both agencies agreed to honour the contractual funding agreements for the year based on a revised work plan of organisational development.

**Theatre Production Strategy:** The charitable company developed a new strategic approach to the commissioning of new theatre performance work for the stage. The process starts with drivers for change derived from community research with the drivers identified as local needs and aspirations form the basis of a creative response. The creative response is created in a collaboration of professional performance arts practitioners and community representatives and is developed into a commissioning brief which is then openly advertised as a commission opportunity. Cumbernauld Theatre recruit a creative team to deliver the creative brief and manage the process of socially engaged practice.

## CUMBERNAULD THEATRE TRUST LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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The result of the process hoped that the charitable company will be creating open and accessible opportunities for Theatre, increasing diversity and inclusion in production, creating original work that is representative of the community and engaging. The Theatre production process is achieving cultural empowerment in Cumbernauld achieving Creative Scotland's 10-year plan - Ambition 3: Places and quality of life are transformed through imagination, ambition, and an understanding of the potential of creativity; Encourage socially engaged practice that stimulates public engagement and value.

**Theatre Programme Production Delivery:** The charitable company, working with community representatives, commissioned 4 artistic directors for the production of 4 new works for stage alongside writers, actors, musicians, lighting designers, sound designers, set and costume designers, video designers, choreographers and commenced production management for an opening season Autumn 2021. The Theatre production process for programme delivery is achieving Creative Scotland's 10-year plan - Ambition 1: Excellence and experimentation across the arts, screen and creative industries is recognised and valued; Support individuals and organisations across Scotland to develop and produce high quality work.

**Community Arts Programme Delivery:** The charitable company recruited 20 freelance artists from multiple disciplines to deliver 16 projects situated in the community and delivered in partnership with community agencies and groups. Despite being without a venue and with the challenges of covid we have still managed to create cultural experiences for under-represented and at-risk members of our community to engage with us. We have set up projects with a number of local community groups such as Who Cares Scotland, Care of Elderly in Cumbernauld CACE, Hope for Autism, REACH, Glencryan Special Needs School, alongside local schools. The programme was designed to achieve Creative Scotland's 10-year plan - Ambition 2: Everyone can access and enjoy artistic and creative experiences; People of all ages and from different types of communities can have deep and meaningful engagement with arts and creativity. Organisations support work collaboratively and imaginatively to increase opportunities for people to engage and participate. They explore new ways and platforms for people to access artistic and creative work and help audiences to engage with a diversity of experiences. This programme directly responded to the Scottish Government Performance framework and National Outcomes for People are creative and their vibrant and diverse cultures are expressed and enjoyed widely and was funded through The Scottish Government Investing in Communities programme.

**Community Research Consultation:** The charitable company commissioned Culture Croft research to undertake community research and develop a framework for the Theatre to use to embed community issues and priorities into our own creative strategy so that our productions and programmes are responsive and relevant. The framework identified indicators of impact and developed a set of measurement tools for the team to use to begin to work strategically in a more collaborative way, designing and implementing in an engaged way, then reviewing and responding through an impact/benefit lens. This work was part of our Art Changes Lives Theory of Change in our Business Plan as a long-term strategic approach to culture change, within our organisation and with our community to transition to a model of operating that is empowered, shared, democratic. The work is responding and leading in a field of debate that is live and critical to the sector and therefore represents strong sector leadership. The work builds on theories of practice led change presented through Creative Scotland's Performing Artists Audience Workbook exploring creative approaches to building impact on audiences through early-stage engagement in the creative process.

**Financial Systems Development:** We have completed a significant Financial Management review, switching from manual to digital systems including Xero and DEXT, designed and implemented a new Spektrix box office and community membership database and communications system, designed, and implemented a new website for the charity with integrated functionality for managing diversity and inclusion, access, and participation. We have developed a modern, fresh brand identity for Lanternhouse and prepared the tools functionally and graphically for the launch of cultural programming in the Autumn 2021. We have prepared our team of staff and volunteers with branded uniforms and communication tools to promote awareness and participation, in a fun and welcoming environment.

## CUMBERNAULD THEATRE TRUST LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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**Digital Development:** We achieved a complete IT system overhaul, moving all charitable company records and data into a cloud-based data storage facility, we adopted MS Teams for online communications.

**Capital Venue Launch:** We have researched and designed new services and the plans for operation, prepared and managed tenders for supply of equipment to run the Main Theatre, Studio, Dance Studio, Cinema, Office, Box Office and Café Kitchen operations. We have prepared to manage cashflow and maintained relations with funders to secure funds of £475,770 for capital procurement. We moved out of the Cottage Theatre and commenced set up Lanternhouse.

**Partnership working:** We have negotiated and agreed a Joint Operating Model with North Lanarkshire Council for the shared management of Lanternhouse as a cultural amenity for the community. The agreement is a long-term commitment by both parties to work towards achieving a cultural and community venue which presents a varied and quality cultural programme and supports the creative industries. The venue will provide access to the community, provide an asset to schools, community groups and colleges and improve employability opportunities in North Lanarkshire.

#### **Fundraising activities**

Direct fundraising activity took place in December 2020 via The Big Give Platform in a campaign to raise funds for professional musical theatre signing tuition for the young people of Cumbernauld. The campaign attracted 7 new major donors and 12 online donors and raised £1,174.

The Cumbernauld Theatre Friends donated £380 and further £149 was raised in small one-off donations to the Theatre.

Funding from trusts and foundations for the capital project was secured in the year and in some cases it was expended in the year and in other cases it was held in reserve for the following year. The Levensat Trust funded IT equipment for the capital project of £10,000 which was spent in the year. Robert Barr Charitable Trust grant funded £25,000 in the year for capital equipment which will be spent in 2021-2022.

Revenue activities funding was awarded by Garfield Weston Culture Fund for re-start activities in response to covid. The award of £186,821 is due to be spent in 2021-2022 due to delayed start-up. Similarly, £9,828 was awarded by The National Lottery Community Fund in the year but will be spent in 2021-2022 due to covid restrictions on delivering activities.

An award of funding from NLC of £100,320, with a deduction at source for rent of £1,000 was credited as £99,320 for the year in 3 instalments. In addition, NLC made contributions towards building maintenance of £4,559 for the year. As a response to covid the Theatre was granted £25,000 Retail, Hospitality and Leisure Sector Rates Grant which was used towards the overhead of the Cottage Theatre building during the year. The total level of NLC funded support was £128,879.

An award from Creative Scotland Regular Funding Programme of £268,000 was received in the year. Significant new funding was awarded by The Scottish Government Programme Investing in Communities. The award for the year was £132,954 to support capacity and organisational development and delivery of activities. Due to covid some activities were delayed and the award for direct delivery of £31,369 from Scottish Government will be spent in 2021-2022.

## **CUMBERNAULD THEATRE TRUST LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Financial review**

During the year, total income amounted to £804,488 (2020: £680,839), whilst expenditure amounted to £347,723 (2020: £774,152). Consequently, a net income of £456,765 (2020: net expenditure of £109,813).

JRS Furlough Claims amounted to £40,095 in the year a vital source of support to sustain key operational posts during lockdown. In the final quarter of the year a Theatre Tax relief claim was made for eligible expenditure from 2019-2020 of £3,384.

Increased expenditure on accountancy capacity of £18,708, which was grant funded, was made to move the charitable company financial management systems from Sage to Xero, to introduce DEXT and manage financial processes digitally. Investment in IP phone system and digital working was also grant funded. The digital development capacity was provided via a freelance contractor. Overall, the changes in digital development made a saving in the year compared to the previous years with the phone system saving £1,887.

In the year, staff costs were reduced by £203,914; one off redundancy payments made to those operational staff made redundant amounted to £18,018. Building and overhead contract costs were reduced as the building was empty all year, which enabled a saving of £54,134. Marketing costs of £41,849 were an increase of £27,619 compared to last year, most of which was due to investment in new brand and website development delivered through marketing consultant and freelance contract capacity. This increase was offset by a grant awarded to deliver the new marketing brand tools.

Overall, the financial position has improved in comparison to 2019-2020 where the charitable company experienced a loss of £109,813. The improvement is due to considerable cost control measures, the case for support to deliver organisational development during covid and associated funding, and the access to support funds such as the JRS Furlough scheme and the Retail, Hospitality and Leisure Sector Rates Grant. The continued support from core funders such as Creative Scotland and North Lanarkshire Council were principally the reason the organisation remained in a controlled financial position, had capacity to retain key staff and manage overheads and with additional support from the Scottish Government Investing in Communities fund the charitable company was able to develop systems and assets for re-start of business in 2021.

#### **Principal funding sources**

The charitable company receives revenue grant funding from Creative Scotland and North Lanarkshire Council and receives occasional project grant funding to support specific activity from both these sources. The charitable company has received confirmation of this continued support.

#### **Investment policy and objectives**

Owing to the nature of the charitable company, funds are not available for long term investment. Therefore, the policy is to calculate surplus monies on a regular basis and invest these in a bank investment account.

#### **Reserves policy**

The charitable company aims to retain sufficient free reserves (i.e unrestricted funds not tied up in fixed assets) to meet expenses for three months which equates to approximately £150,000.

Total reserves on 31 March 2021 amounted to £688,336 (2020: £231,571), comprising £436,687 (2020: £201,571) of unrestricted funds and £251,649 (2020: £30,000) of restricted funds. The charitable company's free reserves were £100,497 (2020: £3,169).

## **CUMBERNAULD THEATRE TRUST LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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Cumbernauld Theatre had an unrestricted reserve Building Development Fund for the launch of the new arts centre, the fund was deemed essential for the capacity of the organisation to re-start operations in the new arts centre and therefore the decision was made to ring fence and protect the fund and not utilise it to manage the extended closure.

General reserves were deemed insufficient to maintain the level of fixed overheads at the start of the year for an anticipated extended closure. With no sense of when operations and trade would commence the charitable company managed a number of redundancies alongside reducing overhead costs to reduce overall expenditure. Other measures to manage the impact of extended closure included furloughing staff, seeking financial emergency funding, terminating service contracts, terminating long term lease of Cottage Theatre buildings.

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

Cumbernauld Theatre plans to deliver the Business Plan for 2020 to 2025 going forward. The model consists of 4 in-house original Theatre and Musical productions of a significant level of financial investment in professional cast and creative crew. For each production a freelance Artistic Director is recruited via an open commissioning process. The Board are engaged in designing and delivering the commissioning process supported by the companies professional Creative Producer, CEO, Communications and Engagement team and members of the Production Management team. It is a collaborative and inclusive process that is designed to open up creative opportunities at the highest level in the industry, to design work that is responsive to local community needs and engaged with Cumbernauld as a place, be encouraging buy in at Board level, throughout the staff team and with the community.

Once recruited and contracted the productions operate as teams within the wider company, they are supported by the Creative Producer and from 2021 we are focusing on principles of Fair Work Convention. Fair work is work that offers effective voice, opportunity, security, fulfilment, and respect; that balances the rights and responsibilities of employers and workers that can generate benefits for individuals, organisations and society. Within this framework we are also actively and positively supporting inclusive recruitment, drawing on the resources in our network to understand and support the needs of artists with assistance needs and drawing on resource to fund additional support needs available from organisations like Federation Scottish Theatre or schemes such as Department for Work and Pensions Access to Work.

Alongside the 4 main in-house original Theatre productions where we aim to deliver approx. 90 performances, we are planning a step-change in the promotion of visiting companies across a range of artforms. We plan a sizable increase in Music of different styles such as instrumental, alternative indie rock, jazz and blues, easy listening, singer songwriter and we are focusing specifically on building an audience for Scottish Traditional Music and the various contemporary forms it now celebrates in the genre of Celtic Folk. The visiting programme for 2021 is 22 Theatre productions for adults, children and families and 25 music performances, 3 contemporary dance and 3 comedy performances.

In partnership with NLC we are supporting the capacity of our community arts producers with a number of high-quality voluntary arts productions in the Spring, Summer and Autumn. A highlight of this programme will be the musicals produced by Cumbernauld Musical Theatre Society whose hybrid model of volunteers and professionals within the performance receives outstanding local support.

Investing in Communities is a key segment of our arts development activity, encompassing creative learning and partnership work with local schools, expanding our links with local charities working with senior community, or social care target groups. During 2021 we are working with Young Care Experienced People, Seniors, Under 4's, and with SIMD target postcode residents of Carbrain, Abronhill and Kildrum. We are building links to support work in the community with people with long term ill-health and disability. Our work is through the medium of drama, dance and movement and creative play. We plan to expand into development of activities using music once all of our capital funds have been secured and we can procure the equipment necessary.

## **CUMBERNAULD THEATRE TRUST LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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We had planned to launch a mainstream cinema in 2021 but due to external equipment supply issues and external conditions for fabric changes to the venue inherent in our licence to occupy model, the roll out of this service has been delayed until 2022. The cinema will screen 6 days per week, 4 screenings per day using an independent cinema management service, with ticket sales and customer care managed through our main Box Office. The Main Auditorium will be used as a second screening facility, particularly for live event cinema.

To ensure the effective marketing of our programme we plan to continue to develop the new Lanternhouse website and brand marketing. The website is performing well with significant new sign ups to our mailing list and alongside effective newsletter promotions for events with investment in digital communications proving an effective audience development tool. Plans for development in this area include producing content such as filmed performances to be available online, film clips of forthcoming programme events and photography, film and audio outputs from our community engagement programme. Data analysis from the new Spektrix Box office system is continuing to enable identification of audience demographic information and targeted marketing planning for audience development through the setup of focus groups to research and build contacts, offer experiences and come and try opportunities, collate feedback and build customer loyalty.

The charitable company continues to build the staff capacity to Business Plan levels for delivery of the full programme and infrastructure to support customer care. During 2021 staffing levels are increased back to 2019 comparable levels with growth planned in line with a managed growth in the scale of the programme, to reach by 2023 a full capacity schedule.

Working in partnership with NLC, Cumbernauld Theatre plans to launch a new community café. The café will support assisted-needs training in hospitality management and will deliver a service 6 days per week including evenings, weekends, and holiday periods, to aim for an annual surplus of 10% to be reinvested in capacity across the charitable company.

Across the programme during 2021 and ahead we are looking to diversify our grant income streams to increase resilience and capacity, we are listening to our core and major funders and working responsively to key strategic drivers for change such as the fair work framework, mentoring for employability and routes to work in creative industries, equalities, diversities and access, reducing our carbon footprint, hybrid working models, digital development and our targeted Creative Strategies for quality production, audience engagement and access, creative learning and supporting artists.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charitable company is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

We have developed through collaborative working a new set of Articles of Association that aims to broaden our engagement of professional creative practitioners in producing and creative capacities; it aims to shift commissioning power, through a high quality consultative, collaborative process. The new set of M&AA are a modern, fit for purpose governing toolkit that has left inequality, prejudice, and outdated modes of operation in the past enabling the charitable company to operate efficiently and effectively. A Good Governance outcome in line with Scotland's 3rd Sector Governance Forum Governance Code.

##### **Recruitment and appointment of new trustees**

The Board has the power at any time, to appoint any person to be a member of the Board either to fill a casual vacancy or as an addition to the existing members of the Board.



## **CUMBERNAULD THEATRE TRUST LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Organisational structure**

The trustees are all volunteers and are drawn from different backgrounds to ensure that the charitable company has the best mix of business, financial HR, fundraising, marketing, technical and arts advice. The trustees meet at least quarterly and are supported by Councillors and Officials of North Lanarkshire Council (NLC) and day to day running is delegated to the Chief Executive Officer and Operations Director.

We have prepared a new Staff Handbook with a full set of up-to-date best practice policies for staff management. We have implemented a new digital HR portal for the management of HR, with access to all staff the portal is a central location for all staff documents, training, work records, sickness absence and performance management.

The CEO has designed a structure of Board working groups, with delegated performance development responsibility, these task groups operate within a new meetings framework for internal communications and collaborative working with the Board; there are 5 Board and staff working groups:

- 1) Finance and Fundraising,
- 2) Programme and Artistic Policy,
- 3) People and Transformation,
- 4) Health, Safety and Risk Management
- 5) Board General Meetings

Each group has a role in identifying priorities for development and formulating an annual set of targets tied to business performance and meets at least quarterly, each report to the Board. This approach has driven progress and been an effective way for the Board to be engaged in transparent leadership of the charitable company strategically, effectively sharing responsibility, leading to enhanced Board performance. The groups are a channel for staff to be involved and influence the governance of the organisation. The charitable company has achieved a Fair Work First strategy goal delivering a safe environment where dialogue and challenge are central to the organisational culture, are dealt with constructively, and where employee views are sought out, listened to, and acted upon, and can make a difference.

#### **Induction and training of new trustees**

New trustees who are invited to join the Board are provided with the appropriate guidance in relation to their responsibilities through the provision of written materials outlining due diligence.

#### **Key management remuneration**

The Board formally review the pay and remuneration of the senior management team on an annual basis. Consideration is given to the performance of the individual in their role, the financial position of the charitable company, and comparisons with both charitable Arts focussed organisations and comparable Local Authority posts. A formal Board decision is taken every year to maintain or adjust the pay and remuneration of key management personnel.

#### **Wider network**

The charitable company is a voluntary member of The Federation of Scottish Theatre, a nationwide network and maintains pay scales in accordance with the ITC - Independent Theatre Council.

## **CUMBERNAULD THEATRE TRUST LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Risk management**

The trustees have a duty to identify and review the risks to which the charitable company is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charitable company identifies key risks and maintains an appropriate risk register. During 2020-2021 due to covid and the impacts on business as usual the Board met to review risks on a monthly basis from May 2020 to March 2021.

The primary risk to the charitable company relates to ensuring continuing financial support from Creative Scotland in relation to delivering outcomes that respond to the national objectives of the governing body for the arts in Scotland. Of equal importance to the charitable company, is the responsibility to deliver agreed partnership objectives with North Lanarkshire Council, to retain core NLC funding support and effective partnership working in the delivery of Lanternhouse as a collaborative community led arts centre.

On an annual basis funding is achieved from other sources, both public and private on the basis of planned delivery of outcomes such as participatory arts activities. The project management and delivery of outcomes, in line with the articulation of intent made in writing on behalf of the Board is monitored by the Board through the Programme Working Group, Finance Working Group, Health, Safety and Risk Group and People Group. These Board sub-committees attended by staff all take place on a quarterly basis and ensure complete transparency of risks arising and management actions. The Board review the wider risk register on a quarterly basis where all major risks are identified and plans for management articulated to be managed by the staff team.

## **CUMBERNAULD THEATRE TRUST LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
SC066490 (Scotland)

**Registered Charity number**  
SC005050

**Registered office**  
Lanternhouse  
South Kildrum Ring Road  
Cumbernauld  
North Lanarkshire  
G67 2UF

#### **Trustees**

Mr C Beverbridge (resigned on 25.11.2020)  
Mr A Fruish  
Mr I Mackenzie  
Mr A Smith  
Ms K McDougall  
Ms M Deans  
Ms K Moore  
Ms A Mullaney (appointed on 25.11.2020)  
Mr A Linkston (appointed on 25.11.2020)  
Mrs C Henderson (appointed on 25.11.2020)

#### **Auditors**

Geoghegans Chartered Accountants  
6 St Colme Street  
Edinburgh  
EH3 6AD

## CUMBERNAULD THEATRE TRUST LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Cumbernauld Theatre Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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 those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

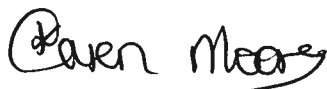
In so far as the trustees are aware:

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

#### AUDITORS

The auditors, Geoghegans Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The financial statements were approved and authorised for issue on 24 November 2021 and are signed on behalf of the trustees by:



Ms K Moore  
Trustee

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF CUMBERNAULD THEATRE TRUST LIMITED

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### Opinion

We have audited the financial statements of Cumbernauld Theatre Trust Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming sources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the report of the trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF CUMBERNAULD THEATRE TRUST LIMITED**

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### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the report of the trustees (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures to respond to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF CUMBERNAULD THEATRE TRUST LIMITED

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### Auditor's responsibilities for the audit of the financial statements (continued)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we consider the following:

- The nature of the industry, control environment and business performance of the charitable company
- The results of our enquires with management and trustees about their own identification and assessment of the risks of irregularities
- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we consider the opportunities and incentives that may exist within the charitable company for fraud. In common with all audits under ISAs (UK), we perform specific procedures to respond to the risk of management override and inappropriate income recognition.

We also obtain an understanding of the legal and regulatory environment in which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements and those which may be fundamental to the charitable company's ability to operate. The key laws and regulations we considered in this context included the Companies Act 2006, the Statement of Recommended Practice: Accounting for Charities FRS 102 (2019), the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Marshall (Senior Statutory Auditor)

For and on behalf of

Geoghegans Chartered Accountants & Statutory Auditor

6 St Colme Street

Edinburgh

EH3 6AD

24 November 2021

**CUMBERNAULD THEATRE TRUST LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES (including income and expenditure account)  
FOR THE YEAR ENDED 31 MARCH 2021**

|                                       | Notes | Unrestricted<br>funds<br>£ | Restricted<br>fund<br>£ | 31.3.21<br>Total<br>funds<br>£ | 31.3.20<br>Total<br>funds<br>£ |
|---------------------------------------|-------|----------------------------|-------------------------|--------------------------------|--------------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>     |       |                            |                         |                                |                                |
| Donations and legacies                | 2     | 502,600                    | 231,649                 | 734,249                        | 418,932                        |
| Covid-19 grants                       | 3     | 65,095                     | -                       | 65,095                         | -                              |
| Charitable activities:                | 4     |                            |                         |                                |                                |
| Artistic programme and education      |       | 4,983                      | -                       | 4,983                          | 261,679                        |
| Investment income                     | 5     | <u>161</u>                 | <u>-</u>                | <u>161</u>                     | <u>228</u>                     |
| <b>Total</b>                          |       | 572,839                    | 231,649                 | 804,488                        | 680,839                        |
| <b>EXPENDITURE ON</b>                 |       |                            |                         |                                |                                |
| Charitable activities:                | 6     |                            |                         |                                |                                |
| Artistic programme and education      |       | <u>347,723</u>             | <u>-</u>                | <u>347,723</u>                 | <u>774,152</u>                 |
| <b>Total</b>                          |       | 347,723                    | -                       | 347,723                        | 774,152                        |
| Losses on revaluation of fixed assets |       | <u>-</u>                   | <u>-</u>                | <u>-</u>                       | <u>(16,500)</u>                |
| <b>NET INCOME/(EXPENDITURE)</b>       | 8     | 225,116                    | 231,649                 | 456,765                        | (109,813)                      |
| Transfers between funds               |       | <u>10,000</u>              | <u>(10,000)</u>         | <u>-</u>                       | <u>-</u>                       |
| <b>NET MOVEMENT IN FUNDS</b>          |       | 235,116                    | 221,649                 | 456,765                        | (109,813)                      |
| <b>RECONCILIATION OF FUNDS</b>        |       |                            |                         |                                |                                |
| Total funds brought forward           | 18    | <u>201,571</u>             | <u>30,000</u>           | <u>231,571</u>                 | <u>341,384</u>                 |
| <b>TOTAL FUNDS CARRIED FORWARD</b>    | 18    | <u>436,687</u>             | <u>251,649</u>          | <u>688,336</u>                 | <u>231,571</u>                 |

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

The notes form part of these financial statements



**CUMBERNAULD THEATRE TRUST LIMITED**

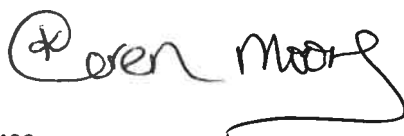
**BALANCE SHEET  
31 MARCH 2021**

|  | Notes | Unrestricted funds<br>£ | Restricted fund<br>£ | 31.3.21<br>Total funds<br>£ | 31.3.20<br>Total funds<br>£ |
|--|-------|-------------------------|----------------------|-----------------------------|-----------------------------|
| <b>FIXED ASSETS</b>                          |       |                         |                      |                             |                             |
| Intangible assets                            | 12    | 9,078                   | -                    | 9,078                       | -                           |
| Tangible assets                              | 13    | <u>32,089</u>           | <u>-</u>             | <u>32,089</u>               | <u>28,379</u>               |
|  |       | 41,167                  | -                    | 41,167                      | 28,379                      |
| <b>CURRENT ASSETS</b>                        |       |                         |                      |                             |                             |
| Stocks                                       | 14    | -                       | -                    | -                           | 760                         |
| Debtors                                      | 15    | 13,819                  | -                    | 13,819                      | 10,672                      |
| Cash at bank and in hand                     |       | <u>405,575</u>          | <u>251,649</u>       | <u>657,224</u>              | <u>232,904</u>              |
|  |       | 419,394                 | 251,649              | 671,043                     | 244,336                     |
| <b>CREDITORS</b>                             |       |                         |                      |                             |                             |
| Amounts falling due within one year          | 16    | <u>(23,874)</u>         | <u>-</u>             | <u>(23,874)</u>             | <u>(41,144)</u>             |
| <b>NET CURRENT ASSETS</b>                    |       |                         |                      |                             |                             |
|  |       | <u>395,520</u>          | <u>251,649</u>       | <u>647,169</u>              | <u>203,192</u>              |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                         |                      |                             |                             |
|  |       | <u>436,687</u>          | <u>251,649</u>       | <u>688,336</u>              | <u>231,571</u>              |
| <b>NET ASSETS</b>                            |       |                         |                      |                             |                             |
|  |       | <u>436,687</u>          | <u>251,649</u>       | <u>688,336</u>              | <u>231,571</u>              |
| <b>FUNDS</b>                                 |       |                         |                      |                             |                             |
|  | 18    |                         |                      |                             |                             |
| Unrestricted funds                           |       |                         |                      | 422,550                     | 187,434                     |
| Restricted funds                             |       |                         |                      | 251,749                     | 30,000                      |
| Revaluation reserve                          |       |                         |                      | <u>14,137</u>               | <u>14,137</u>               |
| <b>TOTAL FUNDS</b>                           |       |                         |                      |                             |                             |
|  |       |                         |                      | <u>688,336</u>              | <u>231,571</u>              |

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 24 November 2021. and were signed on its behalf by:

Ms K Moore  
Trustee



Company Number: SC066490

The notes form part of these financial statements

**CUMBERNAULD THEATRE TRUST LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021**

|   | Notes | 31.3.21<br>£    | 31.3.20<br>£    |
|---|-------|-----------------|-----------------|
| <b>Cash flows from operating activities</b>                               |       |                 |                 |
| Cash generated from operations  | 1     | <u>439,035</u>  | <u>(97,875)</u> |
| Net cash provided by/(used in) operating activities                       |       | <u>439,035</u>  | <u>(97,875)</u> |
| <b>Cash flows from investing activities</b>                               |       |                 |                 |
| Purchase of intangible fixed assets                                       |       | (9,780)         | -               |
| Purchase of tangible fixed assets   |       | <u>(4,935)</u>  | <u>(1,396)</u>  |
| Net cash used in investing activities                                     |       | <u>(14,715)</u> | <u>(1,396)</u>  |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       |                 |                 |
|   |       | 424,320         | (99,271)        |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |       |                 |                 |
|   | 2     | <u>232,904</u>  | <u>332,175</u>  |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |       |                 |                 |
|   | 2     | <u>657,224</u>  | <u>232,904</u>  |

The notes form part of these financial statements

CUMBERNAULD THEATRE TRUST LIMITED

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

|  | 31.3.21<br>£   | 31.3.20<br>£    |
|--|----------------|-----------------|
| Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities) | 456,765        | (109,813)       |
| Adjustments for:   |                |                 |
| Depreciation and amortisation charges  | 1,927          | 1,473           |
| Revaluation of fixed assets  | -              | 16,500          |
| Loss on disposal of fixed assets   | -              | 5,133           |
| Decrease in stocks   | 760            | 4,915           |
| (Increase) in debtors  | (3,147)        | (2,691)         |
| (Decrease) in creditors  | (17,270)       | (13,392)        |
| Net cash provided by/(used in) operations  | <u>439,035</u> | <u>(97,875)</u> |

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

|                                 | 31.3.21<br>£   | 31.3.20<br>£   |
|---------------------------------|----------------|----------------|
| Cash in hand                    | -              | 36             |
| Cash at bank                    | <u>657,224</u> | <u>232,868</u> |
| Total cash and cash equivalents | <u>657,224</u> | <u>232,904</u> |

3. ANALYSIS OF CHANGES IN NET FUNDS

|                          | At 1.4.20<br>£ | Cash flow<br>£ | At 31.3.21<br>£ |
|--------------------------|----------------|----------------|-----------------|
| Net cash                 |                |                |                 |
| Cash at bank and in hand | <u>232,904</u> | <u>424,320</u> | <u>657,224</u>  |
|                          | <u>232,904</u> | <u>424,320</u> | <u>657,224</u>  |
| Total                    | <u>232,904</u> | <u>424,320</u> | <u>657,224</u>  |

The notes form part of these financial statements

## CUMBERNAULD THEATRE TRUST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### 1. ACCOUNTING POLICIES

##### **Statutory information**

Cumbernauld Theatre Trust is a charitable company limited by guarantee, registered in Scotland, with registered company number SC066490 and Scottish charity number SC005050. The address of the registered office is Lanternhouse, South Kildrum Ring Road, Cumbernauld, North Lanarkshire, G67 2UF.

##### **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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006, the Charity and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) regulations 2006 (as amended) and UK Generally Accepted Accounting Practice. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

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

##### **Going Concern**

The financial statements have been prepared on a going concern basis. The trustees have considered the impact of COVID-19 pandemic on the performance and financial position of the charitable company and have taken steps to limit costs while the charitable company has been unable to operate.

Looking forward, the Trustees have reviewed the business model for 2021 to 2022 and raised additional support funds from North Lanarkshire Council and Trusts such as Garfield Weston Culture Fund to finance expenditure on activity plans for business start-up and activity at a level of lower than usual income generation due to covid management regulations. The Trustees are satisfied that the projections combined with balance sheet reserves, provide sufficient contingency to allow for anticipated changes and worse case scenarios. The Trustees are confident that core funding requirements will be met for continued support in 2022-2023 and business plan income targets will be reached on the basis of initial sales from the first 4 months of trading.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charitable company is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable, and the amount can be quantified with reasonable accuracy. The following specified policies are applied to particular categories of income:

- Income received by way of donations, grants and gifts is included in full in the statement of financial activities when receivable.
- Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

## CUMBERNAULD THEATRE TRUST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### 1. ACCOUNTING POLICIES - continued

- Income from charitable activities includes ticket sales and income generated through artistic performances, including theatre tax credit, front of house and bar sales. These are recognised when the charitable company has delivered the service and is therefore entitled to the income.
- Income from investments is included in the year in which it is receivable and when the amount can be measured reliably. Interest on funds held in deposit is included when receivable; this is normally upon notification of the interest paid by the bank.

#### **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required, 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 that category.

- Charitable expenditure comprises those costs incurred by the charitable company 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.
- Support costs are allocated between governance costs and support costs. Governance costs include the costs associated with meeting the constitutional and statutory requirements of the charitable company and include the statutory audit fees and costs linked to strategic management of the charitable company. Other support costs relate to the administrative costs of running the charitable company.

#### **Intangible assets**

Intangible assets are initially recorded at cost. Amortisation is provided on all intangible costs so as to write off the cost of an asset by equal instalments over the useful economic life as follows:

|         |              |
|---------|--------------|
| Website | over 5 years |
|---------|--------------|

#### **Tangible assets**

Tangible fixed assets, costing more than £250, are initially recorded at cost, with the exception of a piano, which is held at valuation.

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:

|                      |                          |
|----------------------|--------------------------|
| Improvements         | 20% reducing balance     |
| Plant and machinery  | 10% reducing balance     |
| Fixtures and fitting | 25%/40% reducing balance |

#### **Debtors**

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

#### **Cash at bank and in hand**

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

## CUMBERNAULD THEATRE TRUST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. ACCOUNTING POLICIES - continued

##### **Creditors and provisions**

Creditors and provisions are recognised when the charitable company has a present obligation resulting from a past event that will probably result in the transfer in funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provision are normally recognised at the settlement amount due.

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Taxation**

The charitable company is exempt from corporation tax on its charitable activities but due to the nature of charitable company, it is eligible for a Theatre Tax Relief claim.

##### **Irrecoverable VAT**

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity. Unrestricted funds include a revaluation reserve representing the restatement of a piano at market value.

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

##### **Financial instruments**

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are wholly recognised at transaction value and subsequently measured at settlement value.

##### **Pensions**

The charitable company contributes to employees' individual pension plans. The amounts charged in the Statement of Financial Activities represents the contributions to the schemes in respect of the accounting period.

##### **Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are rendered.

##### **Termination payments**

All termination payments made are recognised in expenditure in the Statement of Financial Activities. If there is a demonstrable commitment at the year end either to terminate the employment of staff or provide termination benefits as a result of an offer to encourage voluntary redundancies, such payments are recognised as a liability and as expenditure. In this instance, termination benefits are the best estimate.

**CUMBERNAULD THEATRE TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. ACCOUNTING POLICIES - continued**

**Operating lease commitments**

Rentals aid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

**2. DONATIONS AND LEGACIES**

|                                 | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total funds<br>31.3.21<br>£ | Total funds<br>31.3.20<br>£ |
|---------------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Donations and sponsorships      | 1,326                      | -                        | 1,326                       | 1,425                       |
| Grants – Core Creative Scotland | 268,000                    | -                        | 268,000                     | 266,000                     |
| Grants – Core NLC               | 100,320                    | -                        | 100,320                     | 107,907                     |
| Grants – Public Bodies          | 132,954                    | -                        | 132,954                     | 18,600                      |
| Grants – Commonwealth Fund      | -                          | -                        | -                           | 5,000                       |
| Grants – Garfield Weston        | -                          | 186,821                  | 186,821                     | 20,000                      |
| Grants – Creative Community     | -                          | 9,828                    | 9,828                       | -                           |
| Grants – Robert Barr            | -                          | 25,000                   | 25,000                      | -                           |
| Grants – Levensat               | -                          | 10,000                   | 10,000                      | -                           |
|                                 | <u>502,600</u>             | <u>231,649</u>           | <u>734,249</u>              | <u>418,932</u>              |

**3. COVID-19 GRANTS**

|                           | Unrestricted<br>31.3.21<br>£ | Unrestricted<br>31.3.20<br>£ |
|---------------------------|------------------------------|------------------------------|
| Grants – CJRS Scheme      | 40,095                       | -                            |
| Grants – NLC COVID Retail | <u>25,000</u>                | <u>-</u>                     |
|                           | <u>65,095</u>                | <u>-</u>                     |

**CUMBERNAULD THEATRE TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**4. INCOME FROM CHARITABLE ACTIVITIES**

|                              | 31.3.21<br>Artistic<br>Programme<br>and<br>education<br>£ | 31.3.20<br>Artistic<br>Programme<br>and<br>education<br>£ |
|------------------------------|---|---|
| Ticket and programme sales   | -   | 139,301   |
| Booking fees and hire income | 900   | 2,487   |
| Membership income            | 604   | 160   |
| Front of house sales         | -   | 7,236   |
| Gross bar income             | -   | 88,707  |
| Gaming machine income        | -   | 711   |
| Youth theatre and workshop   | -   | 11,791  |
| Actor's Group                | -   | 652   |
| Coffee machine income        | 94  | 46  |
| Theatre tax relief claim     | 3,385   | 10,588  |
|                              | <u>4,983</u>  | <u>261,679</u>  |

**5. INVESTMENT INCOME**

|                          | 31.3.21<br>£ | 31.3.20<br>£ |
|--------------------------|--------------|--------------|
| Bank interest receivable | <u>161</u>   | <u>228</u>   |

**6. CHARITABLE ACTIVITIES COSTS**

|                               | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total funds<br>31.3.21<br>£ | Total funds<br>31.3.20<br>£ |
|-------------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Wages and salaries (note 10)  | 203,003                    | -                        | 203,003                     | 406,917                     |
| Direct costs                  | 13,568                     | -                        | 13,568                      | 182,052                     |
| Advertising and marketing     | 41,849                     | -                        | 41,849                      | 14,230                      |
| Theatre building costs        | 45,573                     | -                        | 45,573                      | 105,872                     |
| Depreciation and amortisation | 1,927                      | -                        | 1,927                       | 1,473                       |
| Support costs (note 7)        | 41,803                     | -                        | 41,803                      | 63,608                      |
|                               | <u>347,723</u>             | <u>-</u>                 | <u>347,723</u>              | <u>774,152</u>              |



**CUMBERNAULD THEATRE TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**7. SUPPORT COSTS**

|                                  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total funds<br>31.3.21<br>£ | Total funds<br>31.3.20<br>£ |
|----------------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Accounting and book-keeping fees | 24,302                     | -                        | 24,302                      | 8,962                       |
| Legal and professional fees      | 11,783                     | -                        | 11,783                      | 45,899                      |
| Governance costs – audit fees    | 5,500                      | -                        | 5,500                       | 5,800                       |
| Bank charges                     | 218                        | -                        | 218                         | 2,947                       |
|                                  | <u>41,803</u>              | <u>-</u>                 | <u>41,803</u>               | <u>63,608</u>               |

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

|                                  | 31.3.21<br>£ | 31.3.20<br>£ |
|----------------------------------|--------------|--------------|
| Audit fees – current auditor     | 5,500        | -            |
| Audit fees – previous auditor    | -            | 5,800        |
| Depreciation - owned assets      | 1,225        | 1,472        |
| Loss on disposal of fixed assets | -            | 5,133        |
| Website amortisation             | <u>702</u>   | <u>-</u>     |

**CUMBERNAULD THEATRE TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

**10. STAFF COSTS**

|                                 | 31.3.21<br>£   | 31.3.20<br>£   |
|---------------------------------|----------------|----------------|
| Gross salaries                  | 171,063        | 379,804        |
| Termination payments            | 18,018         | -              |
| Employer's NIC                  | 10,507         | 22,126         |
| Employers pension contributions | <u>3,415</u>   | <u>4,987</u>   |
|                                 | <u>203,003</u> | <u>406,917</u> |

Key management personnel are considered to be the Chief Executive Officer and the Operations Director. The aggregate remuneration of key management personnel during the year was £91,809 (2020 - £135,206).

The average monthly number of employees during the year was as follows:

|   | 31.3.21  | 31.3.20   |
|---|----------|-----------|
| Production, box office & front of house | 3        | 18        |
| Support staff                           | <u>4</u> | <u>6</u>  |
|   | <u>7</u> | <u>24</u> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

|                   | 31.3.21  | 31.3.20  |
|-------------------|----------|----------|
| £60,001 - £70,000 | <u>-</u> | <u>1</u> |

Mr E Robson received total remuneration of £Nil during the year (2020 - £60,500).

**CUMBERNAULD THEATRE TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

|   | Unrestricted<br>funds<br>£ | Restricted<br>fund<br>£ | Total<br>funds<br>£ |
|---|----------------------------|-------------------------|---------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>                             |                            |                         |                     |
| Donations and legacies  | 393,932                    | 25,000                  | 418,932             |
| <b>Charitable activities</b>                                  |                            |                         |                     |
| Artistic programme and education                              | 261,679                    | -                       | 261,679             |
| Investment income   | <u>228</u>                 | <u>-</u>                | <u>228</u>          |
| <b>Total</b>  | 655,839                    | 25,000                  | 680,839             |
| <b>EXPENDITURE ON</b>   |                            |                         |                     |
| <b>Charitable activities</b>                                  |                            |                         |                     |
| Artistic programme and education                              | 774,152                    | -                       | 774,152             |
| <b>Total</b>  | <u>774,152</u>             | <u>-</u>                | <u>774,152</u>      |
| Losses on revaluation of fixed assets                         | (16,500)                   | -                       | (16,500)            |
| <b>NET INCOME/(EXPENDITURE) and net movement<br/>in funds</b> | (134,813)                  | 25,000                  | (109,813)           |
| <b>Total funds brought forward</b>                            | <u>336,384</u>             | <u>5,000</u>            | <u>341,384</u>      |
| <b>TOTAL FUNDS CARRIED FORWARD</b>                            | <u>201,571</u>             | <u>30,000</u>           | <u>231,571</u>      |

**12. INTANGIBLE FIXED ASSETS**

|                       | Website<br>£ |
|-----------------------|--------------|
| <b>COST</b>           |              |
| Additions             | <u>9,780</u> |
| <b>AMORTISATION</b>   |              |
| Charge for year       | <u>702</u>   |
| <b>NET BOOK VALUE</b> |              |
| At 31 March 2021      | <u>9,078</u> |
| At 31 March 2020      | <u>-</u>     |

**CUMBERNAULD THEATRE TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**13. TANGIBLE FIXED ASSETS**

|                       | Long<br>leasehold<br>£ | Plant and<br>machinery<br>£ | Fixtures<br>and<br>fittings<br>£ | Totals<br>£   |
|-----------------------|------------------------|-----------------------------|----------------------------------|---------------|
| <b>COST</b>           |                        |                             |                                  |               |
| At 1 April 2020       | 37,471                 | 23,500                      | 20,101                           | 81,072        |
| Additions             | -                      | -                           | 4,935                            | 4,935         |
| At 31 March 2021      | <u>37,471</u>          | <u>23,500</u>               | <u>25,036</u>                    | <u>86,007</u> |
| <b>DEPRECIATION</b>   |                        |                             |                                  |               |
| At 1 April 2020       | 36,184                 | -                           | 16,509                           | 52,693        |
| Charge for year       | 257                    | -                           | 968                              | 1,225         |
| At 31 March 2021      | <u>36,441</u>          | <u>-</u>                    | <u>17,477</u>                    | <u>53,918</u> |
| <b>NET BOOK VALUE</b> |                        |                             |                                  |               |
| At 31 March 2021      | <u>1,030</u>           | <u>23,500</u>               | <u>7,559</u>                     | <u>32,089</u> |
| At 31 March 2020      | <u>1,287</u>           | <u>23,500</u>               | <u>3,592</u>                     | <u>28,379</u> |

A Steinway piano is included in the equipment total at a valuation of £22,500. This is following a revaluation performed by Coach House Pianos in October 2020. The Trustees consider this to be representative of its fair value as at 31 March 2021. It was previously revalued at £40,000 by the members based on specialist advice. The historical cost is £9,363.

**14. STOCKS**

|        | 31.3.21<br>£ | 31.3.20<br>£ |
|--------|--------------|--------------|
| Stocks | -            | <u>760</u>   |

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                | 31.3.21<br>£  | 31.3.20<br>£  |
|--------------------------------|---------------|---------------|
| Trade debtors                  | 20            | -             |
| Other debtors                  | 4,425         | 7,138         |
| VAT                            | 7,109         | -             |
| Prepayments and accrued income | <u>2,265</u>  | <u>3,534</u>  |
|                                | <u>13,819</u> | <u>10,672</u> |

**CUMBERNAULD THEATRE TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                 | 31.3.21<br>£  | 31.3.20<br>£  |
|---------------------------------|---------------|---------------|
| Trade creditors                 | 12,907        | 30,628        |
| Social security and other taxes | 3,746         | 1,721         |
| VAT                             | -             | 718           |
| Other creditors                 | 946           | 1,833         |
| Accruals and deferred income    | <u>6,275</u>  | <u>6,244</u>  |
|                                 | <u>23,874</u> | <u>41,144</u> |

Accruals include £nil (2020 - £222) of deferred income. Deferred income relates to grant income which is deferred until such time as the charity has fulfilled the performance related criteria and box office income is deferred until the event booked takes place.

**Analysis of movement in deferred income**

|                      | 31.3.21<br>£ | 31.3.20<br>£    |
|----------------------|--------------|-----------------|
| Brought forward      | 222          | 18,614          |
| Deferred in the year | -            | 222             |
| Released in the year | <u>(222)</u> | <u>(18,614)</u> |
|                      | <u>-</u>     | <u>222</u>      |

**17. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

|                 | 31.3.21<br>£ | 31.3.20<br>£ |
|-----------------|--------------|--------------|
| Within one year | <u>-</u>     | <u>1,000</u> |

CUMBERNAULD THEATRE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021

18. MOVEMENT IN FUNDS

|  | At 1.4.20<br>£ | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31.3.21<br>£ |
|--|----------------|----------------------------------|------------------------------------|--------------------|
| <b>Unrestricted funds</b>                    |                |                                  |                                    |                    |
| General fund                                 | 31,548         | 225,116                          | (115,000)                          | 141,644            |
| Revaluation reserve                          | 14,137         | -                                | -                                  | 14,137             |
| Operating Reserve Fund                       | 23,299         | -                                | 125,000                            | 148,299            |
| Building and Organisational Development Fund | 132,587        | -                                | -                                  | 132,587            |
|  | <u>201,571</u> | <u>225,116</u>                   | <u>10,000</u>                      | <u>436,687</u>     |
| <b>Restricted funds</b>                      |                |                                  |                                    |                    |
| Commonwealth Fund                            | 5,000          | -                                | -                                  | 5,000              |
| Creative Community                           | -              | 9,828                            | -                                  | 9,828              |
| Robert Barr                                  | -              | 25,000                           | -                                  | 25,000             |
| Garfield Weston                              | 25,000         | 186,821                          | -                                  | 211,821            |
| Levenseat                                    | -              | 10,000                           | (10,000)                           | -                  |
|  | <u>30,000</u>  | <u>231,649</u>                   | <u>(10,000)</u>                    | <u>251,649</u>     |
| <b>TOTAL FUNDS</b>                           | <u>231,571</u> | <u>456,765</u>                   | <u>-</u>                           | <u>688,336</u>     |

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

|                           | Income<br>£    | Expenditure<br>£ | Gains/(losses)<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------|------------------|---------------------|---------------------------|
| <b>Unrestricted funds</b> |                |                  |                     |                           |
| General fund              | 572,839        | (347,723)        | -                   | 225,116                   |
|                           | 572,839        | (347,723)        | -                   | 225,116                   |
| <b>Restricted funds</b>   |                |                  |                     |                           |
| Creative Community        | 9,828          | -                | -                   | 9,828                     |
| Robert Barr               | 25,000         | -                | -                   | 25,000                    |
| Garfield Weston           | 186,821        | -                | -                   | 186,821                   |
| Levenseat                 | 10,000         | -                | -                   | 10,000                    |
|                           | 231,649        | -                | -                   | 231,649                   |
| <b>TOTAL FUNDS</b>        | <u>804,488</u> | <u>(347,723)</u> | <u>-</u>            | <u>456,765</u>            |

The transfer from the restricted Levenseat Fund to unrestricted reflects capital items purchased in the year.

CUMBERNAULD THEATRE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

|  | At 1.4.19<br>£ | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31.3.20<br>£ |
|--|----------------|----------------------------------|------------------------------------|--------------------|
| <b>Unrestricted funds</b>                    |                |                                  |                                    |                    |
| General fund                                 | 50,262         | (118,313)                        | 99,599                             | 31,548             |
| Revaluation reserve                          | 30,637         | (16,500)                         | -                                  | 14,137             |
| Operating Reserve Fund                       | 182,898        | -                                | (159,599)                          | 23,299             |
| Building and Organisational Development Fund | 12,587         | -                                | 120,000                            | 132,587            |
| Creative and Learning Development Fund       | <u>60,000</u>  | <u>-</u>                         | <u>(60,000)</u>                    | <u>-</u>           |
|  | 336,384        | (134,813)                        | -                                  | 201,571            |
| <b>Restricted funds</b>                      |                |                                  |                                    |                    |
| Commonwealth Fund                            | 5,000          | -                                | -                                  | 5,000              |
| Garfield Weston                              | -              | 25,000                           | -                                  | 25,000             |
|  | <u>-</u>       | <u>-</u>                         | <u>-</u>                           | <u>-</u>           |
| <b>TOTAL FUNDS</b>                           | <u>341,384</u> | <u>(109,813)</u>                 | <u>-</u>                           | <u>231,571</u>     |

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

|                           | Income<br>£    | Expenditure<br>£ | Gains/(losses)<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------|------------------|---------------------|---------------------------|
| <b>Unrestricted funds</b> |                |                  |                     |                           |
| General fund              | 655,839        | (774,152)        | -                   | (118,313)                 |
| Revaluation reserve       | <u>-</u>       | <u>-</u>         | <u>(16,500)</u>     | <u>(16,500)</u>           |
|                           | 655,839        | (774,152)        | (16,500)            | (134,813)                 |
| <b>Restricted funds</b>   |                |                  |                     |                           |
| Garfield Weston           | 25,000         | -                | -                   | 25,000                    |
|                           | <u>-</u>       | <u>-</u>         | <u>-</u>            | <u>-</u>                  |
| <b>TOTAL FUNDS</b>        | <u>680,839</u> | <u>(774,152)</u> | <u>(16,500)</u>     | <u>(109,813)</u>          |

## CUMBERNAULD THEATRE TRUST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

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#### 18. MOVEMENT IN FUNDS - continued

**Operating reserve fund** - funds designated in accordance with the trustees reserves policy of holding sufficient free reserves to meet expenses for three months. The fund does not currently meet this target. Amounts have been transferred from these reserves during the year to meet redundancy costs in March 2020 and general expenditure. When the charity moves to the new venue and resumes services and activities the trustees intend to increase this reserve to the required level as denoted by the policy.

**Building and organisational development fund** - funds designated to meet costs of future building and organisational development.

**Revaluation reserve fund** - funds designated as required by the Companies Act 2006 representing the amount by which the value of the piano exceeds its historical cost.

**Creative and learning development fund** - funds previously set aside for creative and learning development projects have been transferred to the building and organisational development fund on agreement by the trustee in 2020.

#### **Restricted funds**

**Creative Community** – to pay for arts activities such as activity leaders fees and expenses, and a research consultant.

**Robert Barr** – this has been awarded to support the cost of fitting out the new venue.

**Garfield Weston** – this is to support the theatre in producing a new season of work including artistic and creative costs.

#### 19. RELATED PARTY TRANSACTIONS

The charity works closely with North Lanarkshire Council. Councillor C Barclay and Councillor J Ashraf are co-opted onto the board as representatives from North Lanarkshire Council. Any transactions with North Lanarkshire Council are made at arm's length on normal commercial terms. Grant funding of £128,879 (2020 - £107,907) was received from the Council this year.

Donations of £400 (2020: £nil) were received from 11 trustees (2020: 0)

#### 20. COMPANY LIMITED BY GUARANTEE

The Company is limited by guarantee and does not have a share capital. In the event of a winding up each of the members undertakes to contribute an amount not exceeding £1.