Charity registration number SC040201 (Scotland)

Company registration number SC353435 (Scotland)

PUPPET STATE THEATRE COMPANY LTD

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

PUPPET STATE THEATRE COMPANY LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Richard Medrington Geoffrey Stevenson Gemma Lawrence
Secretary	Elspeth Murray
Charity number (Scotland)	SC040201
Company number	SC353435
Registered office	4 Bayview Crescent Kinloss Forres IV36 3UQ
Independent examiner	McFadden Associates Limited 19 Rutland Square Edinburgh EH1 2BB

PUPPET STATE THEATRE COMPANY LTD

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PUPPET STATE THEATRE COMPANY LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2026

The trustees present their report and accounts for the year ended 31 March 2026.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Company's main charitable purpose is:
"the advancement of the arts and culture, by their promotion, improvement and encouragement including the arts of puppetry, storytelling, literature and poetry."
Puppet State Theatre Company does this principally through creating and performing puppetry and storytelling.
The current production THE MAN WHO PLANTED TREES also supports the Company's secondary purposes:
"the advancement of environmental protection or improvement" and "the advancement of education".
The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

THE MAN WHO PLANTED TREES

This production is a long-running, small-scale, two-man touring show involving puppetry, storytelling and comedy. It is an adaptation unique to Puppet State Theatre Company of the book by French writer Jean Giono. We have not performed during the current year due to ill-health.

Financial review

At the end of the financial year April 2025 to March 2026, the Company held a balance of £1,510. The Company has sufficient reserves to continue its work.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

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

PUPPET STATE THEATRE COMPANY LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2026

Structure, governance and management
The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:
Richard Medrington
Geoffrey Stevenson
Gemma Lawrence

Directors / Trustees have been recruited on the basis of their knowledge and experience and have a range of backgrounds including theatre production, touring, arts marketing, management and administration, corporate governance and organisational development. The three members have experience of theatre work on a similar or larger scale to Puppet State Theatre Company. Geoffrey Stevenson has been on the Boards of other companies with charitable status and brings with him relevant knowledge of governance. Gemma Lawrence brings experience of working in the environmental sector.

Richard Medrington as Creative Director and Elspeth Murray as Company Secretary are currently responsible for the day-to-day running of Puppet State Theatre Company. Neither is permanently employed to manage the company but have been taking the lead in ensuring that financial and other records are kept appropriately.

Directors oversee the main decisions in terms of which projects are undertaken and the general direction of the company. They are also responsible for overall financial management. This is principally done through Board meetings.

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

.....
Richard Medrington
Trustee
Dated: .....

PUPPET STATE THEATRE COMPANY LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PUPPET STATE THEATRE COMPANY LTD

I report on the financial statements of the charity for the year ended 31 March 2026, which are set out on pages 4 to 10.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006, and they consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to our attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the Statement of Standards for Reporting Accountants and Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

(a) which gives me reasonable cause to believe that in any material respect the requirements:
   (i) to keep accounting records in accordance with section 44 (1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
   (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of Regulation 8 of the 2006 Accounts Regulations and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;

   have not been met; or

(b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

David Stewart CA

19 Rutland Square
Edinburgh
EH1 2BB

Dated: .....

PUPPET STATE THEATRE COMPANY LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Charitable activities	**3**	1,844	736
Net expenditure and movement in funds		(1,844)	(736)
Reconciliation of funds:			
Fund balances at 1 April 2025		1,884	2,620
Fund balances at 31 March 2026		40	1,884

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

PUPPET STATE THEATRE COMPANY LTD

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026 £	£	2025 £	£
Current assets					
Cash at bank and in hand		1,510		3,354	
Creditors: amounts falling due within one year	9	1,470		1,470	
Net current assets			40		1,884
The funds of the charity					
Unrestricted funds			40		1,884
			40		1,884

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2026.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on .....

.....
Richard Medrington
Trustee

Company registration number SC353435 (Scotland)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

Charity information

Puppet State Theatre Company Ltd is a private company limited by guarantee incorporated in Scotland. The registered office is 4 Bayview Crescent, Kinloss, Forres, IV36 3UQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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 £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised when a liability is incurred.

Charitable activities include expenditure associated with the staging of productions and include both direct and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to the charitable activity on a basis consistent with their use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Sets & equipment	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Cash and cash equivalents

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies **(Continued)**

1.8 Employee benefits

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

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	Puppetry creation & performance 2026 £	Puppetry creation & performance 2025 £
Marketing and promotion	1,351	-
Share of support costs (see note 4)	253	496
Share of governance costs (see note 4)	240	240
	1,844	736

4 Support costs allocated to activities

	2026 £	2025 £
	172	427
	81	69
Governance costs	240	240
	493	736
Analysed between:		
Heading #ac982	493	736

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

5 Trustees

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

6 Employees

The average monthly number of employees during the year was:

	2026 Number	2025 Number
Directors	3	4

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel
The remuneration of key management personnel is as follows.

7 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

8 Tangible fixed assets

	Sets & equipment £
Cost	
At 1 April 2025	8,905
At 31 March 2026	8,905
Depreciation and impairment	
At 1 April 2025	8,905
At 31 March 2026	8,905
Carrying amount	

9 Creditors: amounts falling due within one year

	2026 £	2025 £
Other creditors	999	999
Accruals and deferred income	471	471
	1,470	1,470

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

10 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2025	Resources expended	At 31 March 2026
	£	£	£
General funds	1,884	(1,844)	40

Previous year:	At 1 April 2024	Resources expended	At 31 March 2025
	£	£	£
General funds	2,620	(736)	1,884

11 Related party transactions

There were no disclosable related party transactions during the year (2025 - none).