

Charity registration number SC044798 (Scotland)

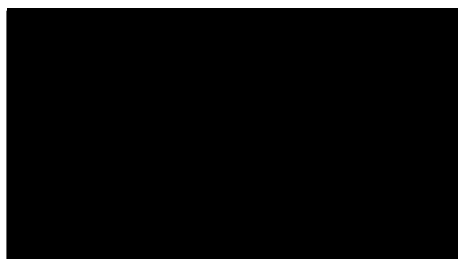
**MONTROSE PLAYHOUSE PROJECT SCIO  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2024**

# MONTROSE PLAYHOUSE PROJECT SCIO

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

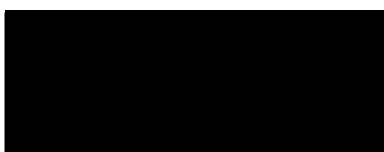


**Operations manager**

**Charity number (Scotland)**

SC044798

**Principal address**



**Auditor**

Murray Taylor Audit Limited  
10 Murray Lane  
Montrose  
Angus  
DD10 8LF

**Bankers**

Virgin Money  
114 High Street  
Montrose  
Angus  
DD10 8JE

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# **MONTROSE PLAYHOUSE PROJECT SCIO**

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# MONTROSE PLAYHOUSE PROJECT SCIO

## TRUSTEES REPORT

### FOR THE YEAR ENDED 30 APRIL 2024

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The Trustees present their annual report and financial statements for the year ended 30 April 2024.

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**

To run a successful cinema and community arts hub promoting the advancement of education, community development, and of the arts and culture, the provision of recreational facilities and the organisation of recreational activities, with the object of improving the conditions of life for the local community in Montrose, Angus and South Aberdeenshire.

The organisation's purposes are to promote community engagement for the benefit of the public without distinction of sex, sexuality, political, religious or other opinions by associating with the local authorities, voluntary organisations and inhabitants in a common effort to advance the arts, heritage and culture, education and to provide facilities for, or assist in the provision of facilities, in the interests of social welfare for recreation and other leisure time occupation so that the conditions of life may be improved.

#### **Achievements and performance**

##### *Significant activities and achievements against objectives*

We completed our second full year of trading in October 2023 and it was great to see the number of patrons using the cinema exceed 230,000 over the 2 year period, well in excess of our target of 161,000. The actual number for this financial year was 106,000 compared to 111,000 last year which we were pleased with considering it was one of the worst years in history for the movie production industry due to the Writers and Actors Strikes.

In addition to our existing social programmes, in May 2023 we launched our Community Fridge with the aid of funding from Scotmid Community Connect enabling local businesses and people to donate food which is close to its use by date for collection by the community in an attempt to reduce food waste and food poverty. We also offer a heavily subsidised self-sustaining fruit & veg stall on Wednesdays and Saturdays to promote health and wellbeing.

In September we held our first eco film festival in partnership with Montrose LandXSeaFest showcasing a blend of cinema and coastal culture, sparking insightful conversations and actions for our environment including an eco fayre in The Mall at the front of the facility.

We were also shortlisted for Cinema of the Year (24 Screens and under) at the Big Screen Awards in London in November which was a huge recognition for us.

# **MONTROSE PLAYHOUSE PROJECT SCIO**

## **TRUSTEES REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2024**

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### **Financial review**

As detailed in the Statement of Financial Activities, the charity has recorded a surplus for the year of £10,076 which is split between an unrestricted surplus of £37,916 and a restricted deficit of £27,870.

Restricted funds are expected to generate a deficit each year. The reason being that restricted funds received in the financial years 2020 and 2021 were to be used for the renovation of the old swimming pool in to the cinema and other equipment. The monies spent on the cinema and related equipment have been capitalised within fixed assets. Therefore the restricted reserves in relation to the capital spend will be reduced by the depreciation charge recorded against the fixed assets each year.

The unrestricted reserve relates to the operating of the cinema and the community projects that the charity undertake. The results are showing a surplus of £37,916. The trustees are satisfied with this performance level despite the challenges faced by the charity. The cost of living crisis continues to put pressures on the cinema, but the trustees and the Operations Manager are regularly monitoring prices. As mentioned in the achievements section this has been the second full year that the cinema has been open. Visiting numbers have remained similar to last year with visiting numbers for this year at 106,000 compared to last year's 111,000 visitors. While the similar levels is excellent news, there were still challenges to be overcome from staffing levels and more importantly the writer strike which meant that some blockbusting films due to be released were delayed.

### *Reserves policy*

The Trustees aim to maintain a reserve of unrestricted funds which is sufficient to meet the cost of:-

1. Any insurance required for the coming year.
2. The utilities for the building for a period of six months.
3. All other commitments as they fall due.
4. A contingency fund of £1,000.

The statement of Financial Activities shows that the unrestricted reserves are in deficit by £33,629. This deficit is being funded by short term loan funding. The deficit has been generated due to the operation of the cinema generating a deficit in its first 19 months of operation.

However the Trustees feel that the initial teething problems have been resolved. The management accounts for the first 8 months of the current financial year show that the cinema is once again on target to generate a surplus. As there are still 4 months of the year to go, it is hoped that the deficit in the unrestricted reserve will be completely reversed in the 2025 financial year.

The cashflow statement on page 10, highlights that there has been a cash outflow in year. This was expected as the cinema has made real efforts to clear the loan funding that was taken on in the early days of the cinema.

### *Principal funding sources*

The sources of income are the monies generated from operating the cinema. From the surplus generated from the Cinema, the charity uses the surplus to fund community projects from the fruit and veg stall.

### *Major risks*

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.

### **Plans for future periods**

Continue to reduce historic and current debt to zero and start to build funds to maintain and develop the facility. Continue to work with Playhouse users and partners to develop or facility in line with current community needs, acting as an engine for social change in our local area.

# MONTROSE PLAYHOUSE PROJECT SCIO

## TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2024

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### Structure, governance and management

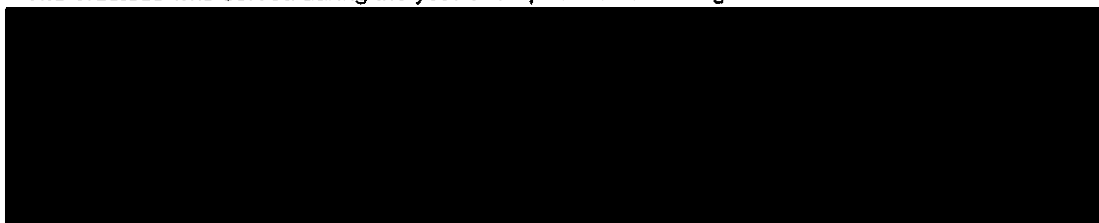
The Charity is a Scottish Charitable Incorporated Organisation (a SCIO) registered on 11 April 2014. It is governed by a constitution which sets out that the general structure of the organisation consists of:

1 The Members, who have the right to attend members meetings including the AGM and appoint the Charity Trustees to serve on the Board and take decisions on changes to the constitution

and:

2 The Charity Trustees who appoint the Members, hold regular meetings and control the activities of the organisation e.g. monitoring and controlling its financial position.

The Trustees who served during the year and up to the date of signature of the financial statements were:



### Recruitment and appointment of trustees

The appointment and recruitment of trustees is determined by individuals who show a willingness to assist the current board. That individual is considered by the current trustees as to whether that individual has the requisite skills and enthusiasm to full fill a role as identified by the current trustees.

### Organisational structure

The trustees manage the direction of the charity, whereas the day to day operation of the cinema is delegated to leadership team.

As per the constitution, all Trustees must first be Members and the first Trustees were appointed at a Members meeting with subsequent election/re-election being at the AGM. At each AGM, all of the charity trustees must retire from office, but may then be re-elected. The board may at any time appoint any eligible member to be a Charity Trustee. There should be a minimum of 3 Trustees and a maximum of 10.

### Induction and training of trustees

New Trustees are invited to spend time with existing committee members which provides new trustees about the basic role of a being a trustee. New trustees are encouraged to download and read the guidance and good practice guide which is available on the OSCR website.

### Relationship with wider network

As well as providing cinema screenings the charity is also heavily involved with the local community. After all the cinema and it design are based to focus on the local community. The whole ethos of the The Playhouse is about social inclusion. For example our Back to the Future screen memories programme aims to make cinema a key part of a dementia and Alzheimer's friendly community by providing accessible, fun and inclusive screenings. This will enable people living with these conditions, their families and carers to attend the cinema in a safe and welcoming environment giving them the confidence to continue to enjoy the cinematic experience. While, at this stage the building is still being completed, we want the complex to become a vital part of the community and seek to help all age groups.

# MONTROSE PLAYHOUSE PROJECT SCIO

## TRUSTEES REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2024**

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### **Statement of Trustees responsibilities**

The Trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland 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 charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees report was approved by the Board of Trustees.



**Trustee**

30 January 2025

# MONTROSE PLAYHOUSE PROJECT SCIO

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS AND TRUSTEES OF MONTROSE PLAYHOUSE PROJECT SCIO

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#### Opinion

We have audited the financial statements of Montrose Playhouse Project SCIO (the 'charity') for the year ended 30 April 2024 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows 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 charity's affairs as at 30 April 2024 and of its incoming resources 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### 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 charity 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 charity'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.

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

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

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

- the information given in the Trustees report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees report has been prepared in accordance with applicable legal requirements.



# **MONTROSE PLAYHOUSE PROJECT SCIO**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS AND TRUSTEES OF MONTROSE PLAYHOUSE PROJECT SCIO**

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees 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 (as amended) requires us to report to you if, in our opinion:

- adequate and proper 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 trustees' 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 Trustees report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees responsibilities, the Trustees 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 charity'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 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 Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# **MONTROSE PLAYHOUSE PROJECT SCIO**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS AND TRUSTEES OF MONTROSE PLAYHOUSE PROJECT SCIO**

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the construction industry.

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including relevant legislation such as the Companies Act 2006, taxation legislation, data protection, employment and health and safety legislation.

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulation.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transaction

in response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

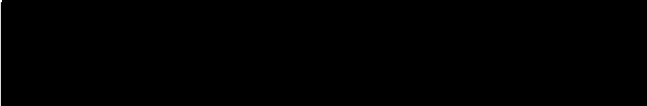
# **MONTROSE PLAYHOUSE PROJECT SCIO**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS AND TRUSTEES OF MONTROSE PLAYHOUSE PROJECT SCIO**

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This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of Murray Taylor Audit Limited  
Chartered Certified Accountants  
Statutory Auditor  
10 Murray Lane  
Montrose  
Angus  
DD10 8LF

30 January 2025

# MONTROSE PLAYHOUSE PROJECT SCIO

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 30 APRIL 2024**

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	79,902	65,015	144,917	85,721	35,098	120,819
Charitable activities	4	838,464	-	838,464	857,974	-	857,974
Other trading activities	5	78,889	-	78,889	56,872	-	56,872
Investments	6	655	-	655	109	-	109
<b>Total income</b>		<b>997,910</b>	<b>65,015</b>	<b>1,062,925</b>	<b>1,000,676</b>	<b>35,098</b>	<b>1,035,774</b>
Charitable activities	7	959,994	92,855	1,052,849	1,045,881	111,430	1,157,311
<b>Net income/(expenditure) and movement in funds</b>		<b>37,916</b>	<b>(27,840)</b>	<b>10,076</b>	<b>(45,205)</b>	<b>(76,332)</b>	<b>(121,537)</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 May 2023		(71,545)	3,156,721	3,085,176	(26,340)	3,233,053	3,206,713
<b>Fund balances at 30 April 2024</b>		<b>(33,629)</b>	<b>3,128,881</b>	<b>3,095,252</b>	<b>(71,545)</b>	<b>3,156,721</b>	<b>3,085,176</b>

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

# MONTROSE PLAYHOUSE PROJECT SCIO

## STATEMENT OF FINANCIAL POSITION

AS AT 30 APRIL 2024

		2024		2023	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Property, plant and equipment	13		3,286,830		3,368,217
<b>Current assets</b>					
Trade and other receivables	14	17,916		23,451	
Cash at bank and in hand		7,246		30,739	
		25,162		54,190	
<b>Current liabilities</b>	16	171,073		286,398	
Net current liabilities			(145,911)		(232,208)
<b>Total assets less current liabilities</b>			3,140,919		3,136,009
<b>Non-current liabilities</b>	17		(45,667)		(50,833)
<b>Net assets</b>			3,095,252		3,085,176
<b>The funds of the charity</b>					
Restricted income funds	18		3,128,881		3,156,721
Unrestricted funds			(33,629)		(71,545)
			3,095,252		3,085,176

The financial statements were approved by the Trustees on 30 January 2025

Trustee

# MONTROSE PLAYHOUSE PROJECT SCIO

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2024

	Notes	2024 £	£	2023 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	22		2,018		(18,356)
<b>Investing activities</b>					
Purchase of property, plant and equipment		(9,000)		(9,716)	
Investment income received		655		109	
<b>Net cash used in investing activities</b>			(8,345)		(9,607)
<b>Financing activities</b>					
Repayment of borrowings		(17,166)		40,000	
<b>Net cash (used in)/generated from financing activities</b>			(17,166)		40,000
<b>Net (decrease)/increase in cash and cash equivalents</b>			(23,493)		12,037
Cash and cash equivalents at beginning of year			30,739		18,702
<b>Cash and cash equivalents at end of year</b>			7,246		30,739

# MONTROSE PLAYHOUSE PROJECT SCIO

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2024

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### 1 Accounting policies

#### Charity information

Montrose Playhouse Project SCIO is a Scottish Charitable Incorporated Organisation situated in Scotland.

[REDACTED]

#### 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 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.

The trustees have drawn this conclusion for the positive management accounts for the 8 months to 31 December 2024. They have also reviewed cash flow projections for the next 16 months and have determined that debt will continue to fall as and then cash flow will begin to improve.

#### 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.

#### 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.

# MONTROSE PLAYHOUSE PROJECT SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2024

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

#### Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### 1.6 Property, plant and equipment

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

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

Freehold land and buildings	2% straight line basis
Plant and equipment	15% straight line basis
Fixtures and fittings	25% straight line basis
Computers	33.33% straight line basis

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 Impairment of non-current assets

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

#### 1.8 Cash and cash equivalents

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



# MONTROSE PLAYHOUSE PROJECT SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2024

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### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

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

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

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

##### **Basic financial assets**

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

##### **Basic financial liabilities**

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

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

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

##### **Derecognition of financial liabilities**

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

#### 1.10 Retirement 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.

# MONTROSE PLAYHOUSE PROJECT SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2024

### 3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	31,653	11,410	43,063	55,328	-	55,328
Grants	-	53,605	53,605	-	35,098	35,098
Membership fees	48,249	-	48,249	30,393	-	30,393
	<u>79,902</u>	<u>65,015</u>	<u>144,917</u>	<u>85,721</u>	<u>35,098</u>	<u>120,819</u>

### 4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Ticket income	466,952	472,405
12 feet deep sales	1,098	1,520
Trailer income	32,864	33,701
Bar and food sales	315,516	333,609
Other income	22,034	16,739
	<u>838,464</u>	<u>857,974</u>

### 5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Advertising income	<u>78,889</u>	<u>56,872</u>

### 6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>655</u>	<u>109</u>

# MONTROSE PLAYHOUSE PROJECT SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2024

### 7 Charitable activities

	2024 £	2023 £
Staff costs	373,115	433,133
Depreciation and impairment	90,387	88,248
Fundraising costs	1,933	4,258
Film costs and expenses	227,656	244,095
Premises expenses	22,291	14,442
Computer costs	2,568	2,618
Printing and stationery	3,380	3,691
Insurance	18,355	19,573
Electricity	39,522	69,290
Water rates	9,292	8,007
Licences	8,510	6,462
Bank charges	27	132
Sundry expenses	8,140	2,375
Travel	55	236
Food and drink	150,169	165,034
Telephone	6,921	6,200
Entertainment	3,618	3,675
Equipment hire	2,094	1,412
Stripe and Indy fees	74,884	74,133
Advertising	923	1,297
	<u>1,043,840</u>	<u>1,148,311</u>
Share of governance costs (see note 8)	9,009	9,000
	<u>1,052,849</u>	<u>1,157,311</u>
<b>Analysis by fund</b>		
Unrestricted funds	959,994	1,045,881
Restricted funds	92,855	111,430
	<u>1,052,849</u>	<u>1,157,311</u>

### 8 Support costs allocated to activities

	2024 £	2023 £
Governance costs	9,009	9,000
<b>Analysed between:</b>		
Audit and legal fees	9,009	9,000

# MONTROSE PLAYHOUSE PROJECT SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

### 9 Auditor's remuneration

Fees payable to the charity's auditor and associates:	<b>2024</b>	<b>2023</b>
	£	£
<b>For audit services</b>		
Audit of the financial statements of the charity	7,500	7,500

### 10 Trustees

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

### 11 Employees

The average monthly number of employees during the year was:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
	27	30
<b>Employment costs</b>	<b>2024</b>	<b>2023</b>
	£	£
Wages and salaries	356,981	414,898
Social security costs	12,280	14,377
Other pension costs	3,854	3,858
	373,115	433,133

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.

### 12 Taxation

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

# MONTROSE PLAYHOUSE PROJECT SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

### 13 Property, plant and equipment

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>					
At 1 May 2023	3,433,663	16,980	56,608	8,625	3,515,876
Additions	-	-	9,000	-	9,000
At 30 April 2024	3,433,663	16,980	65,608	8,625	3,524,876
<b>Depreciation and impairment</b>					
At 1 May 2023	108,692	5,500	27,603	5,864	147,659
Depreciation charged in the year	68,675	2,549	16,402	2,761	90,387
At 30 April 2024	177,367	8,049	44,005	8,625	238,046
<b>Carrying amount</b>					
At 30 April 2024	3,256,296	8,931	21,603	-	3,286,830
At 30 April 2023	3,324,971	11,480	29,005	2,761	3,368,217

### 14 Trade and other receivables

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Trade receivables	15,503	21,988
Prepayments and accrued income	2,413	1,463
	17,916	23,451

### 15 Borrowings

	2024 £	2023 £
Other loans	62,834	80,000
Payable within one year	17,167	29,167
Payable after one year	45,667	50,833

The total loans of £62,834 are interest free loans, with no security held. The loan are all due to be repayable by instalments and due to conclude by 30 April 2028.

**MONTROSE PLAYHOUSE PROJECT SCIO**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 APRIL 2024**

**16 Current liabilities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Borrowings	17,167	29,167
Other taxation and social security	23,912	49,217
Trade payables	43,572	53,201
Other payables	73,321	76,461
Accruals and deferred income	13,101	78,352
	<u>171,073</u>	<u>286,398</u>

**17 Non-current liabilities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Borrowings	<u>45,667</u>	<u>50,833</u>

# MONTROSE PLAYHOUSE PROJECT SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

### 18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Balance at 1 May 2022 £	Movement in funds		Balance at 1 May 2023 £	Movement in funds		Balance at 30 April 2024 £
		Incoming resources £	Resources expended £		Incoming resources £	Resources expended £	
Electric Toilet Lifter	3,209	-	(687)	2,522	-	(687)	1,835
Regional Screen Scotland	7,744	-	(7,744)	-	-	-	-
William Syson	4,942	-	(100)	4,842	-	(100)	4,742
Creative Scotland	285,356	-	(5,778)	279,578	-	(5,778)	273,800
Angus Council	2,840,696	-	(57,480)	2,783,216	38,400	(57,928)	2,763,688
Garfield Weston	74,125	-	(1,500)	72,625	-	(1,500)	71,125
CBAL Fund	2,000	-	(2,000)	-	-	-	-
Peoples postcode lottery	14,981	-	(4,994)	9,987	-	(4,994)	4,993
Angus Council - in to summer etc	-	7,578	(7,578)	-	5,630	(5,630)	-
LACER Fund	-	8,320	(8,320)	-	-	-	-
Scotmid	-	5,000	(4,122)	878	-	(155)	723
NELIG Fund	-	11,091	(11,091)	-	-	-	-
See Hear Angus Fund	-	3,109	(36)	3,073	-	(36)	3,037
Cycling Scotland grant	-	-	-	-	8,700	(4,043)	4,657
Groundwork UK	-	-	-	-	375	(94)	281
Seagreen grant	-	-	-	-	500	(500)	-
Montrose Port Authority	-	-	-	-	11,410	(11,410)	-
	3,233,053	35,098	(111,430)	3,156,721	65,015	(92,855)	3,128,881

# **MONTROSE PLAYHOUSE PROJECT SCIO**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2024**

### **18 Restricted funds**

**(Continued)**

- Electric Toilet Lifter Donation - A donation received to pay to install an electric toilet lifter.
- Regional Screen Scotland - A fund provided to assist with the funding of a part time Social Development Officer.
- William Syson - A grant received towards the costs of capital equipment.
- Creative Scotland - A grant received to assist the funding of cinema equipment.
- Angus Council - Grant income received to fund the construction of the cinema.
- Garfield Weston - A grant received to assist with the costs of capital equipment.
- Peoples Postcode Lottery - Grant for tables and chairs
- Angus Council Get In to Summer, Spring & Autumn - Tickets for families
- LACER Fund - Costs of produce for fruit and veg stand
- Scotmid - Community fridge and product to fill
- NELIG Fund - Salary costs for a Co Ordinator for community fridge
- See Hear Angus Fund - Install Heating Loop System
- Cycling Scotland grant - To allow the purchase and installation of a bike shed
- Montrose Port Authority - To provide cinema tickets to the primary schools in Montrose



# MONTROSE PLAYHOUSE PROJECT SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

### 19 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 May 2023 £	Incoming resources £	Resources expended £	At 30 April 2024 £
General funds	(71,545)	997,910	(959,994)	(33,629)
Previous year:				
	At 1 May 2022 £	Incoming resources £	Resources expended £	At 30 April 2023 £
General funds	(26,340)	1,000,676	(1,045,881)	(71,545)

### 20 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
<b>Fund balances at 30 April 2024 are represented by:</b>			
Property, plant and equipment	157,949	3,128,881	3,286,830
Current assets/(liabilities)	(145,911)	-	(145,911)
Long term liabilities	(45,667)	-	(45,667)
	(33,629)	3,128,881	3,095,252
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<b>Fund balances at 30 April 2023 are represented by:</b>			
Property, plant and equipment	211,496	3,156,721	3,368,217
Current assets/(liabilities)	(232,208)	-	(232,208)
Long term liabilities	(50,833)	-	(50,833)
	(71,545)	3,156,721	3,085,176

### 21 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

# MONTROSE PLAYHOUSE PROJECT SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

<b>22 Cash generated from operations</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Surplus/(deficit) for the year	10,076	(121,537)
Adjustments for:		
Investment income recognised in statement of financial activities	(655)	(109)
Depreciation and impairment of property, plant and equipment	90,387	88,248
Movements in working capital:		
Decrease/(increase) in trade and other receivables	5,535	(6,119)
(Decrease)/increase in trade and other payables	(103,325)	21,161
<b>Cash generated from/(absorbed by) operations</b>	<b>2,018</b>	<b>(18,356)</b>
<b>23 Analysis of changes in net (debt)/funds</b>		
	<b>At 1 May 2023</b>	<b>Cash flows At 30 April 2024</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	30,739	(23,493) 7,246
Loans falling due within one year	(29,167)	12,000 (17,167)
Loans falling due after more than one year	(50,833)	5,166 (45,667)
	(49,261)	(6,327) (55,588)