

Company registration number: 591781
Charity registration number: 211361

The Stables Trust Limited
(A company limited by guarantee)
Annual Report and Financial Statements
for the Year Ended 30 September 2016

The Stables Trust Limited
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The Stables Trust Limited
Reference and Administrative Details

| | |
|------------------------------------|--|
| Charity name | The Stables Trust Limited |
| Charity registration number | 211361 |
| Company registration number | 591781 |
| Registered office | The Stables Theatre High Street Hastings East Sussex TN34 3EY |
| Trustees | Christopher Lacey, Chairman Rob Hustwayte, Vice chairman Andy Bissenden, Vice chairman Harriet Davey, Secretary David Ames, Treasurer Tim Pearce Joanna Flay Cliff Brooker Mike Willard Veronica Sceal Jane Richardson |
| Secretary | Harriet Davey |
| Solicitor | Young Coles & Langdon Langham House Albert Road Hastings TN34 1QT |
| Bankers | National Westminster Bank plc Havelock Road Hastings TN34 1BW |
| Accountant | Frampton & Co 13 London Road Bexhill on Sea TN39 3JR |

The Stables Trust Limited

Trustees' Report

The trustees present their report and the financial statements for the year ended 30 September 2016. The trustees, who are also directors of The Stables Trust Limited for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Governing document

The Stables Trust Limited is a company limited by guarantee governed by its memorandum and articles of association. It is registered as a charity with the Charity Commission. Anyone over the age of 18 can become a member of the company and there are currently about 1,800 members.

Appointment of trustees

Trustees are elected annually by the members of the charitable company attending the Annual General Meeting. All members are circulated with invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM.

Trustee induction and training

New trustees undergo an orientation session to brief them on their legal obligations under charity and company law, the content of the memorandum and articles of association, the decision making processes, the business plan and recent financial performance of the charity. They will be given a tour of the building and an outline of the work of the various departments.

Organisation

The council of management (the trustees) meets regularly to administer the charity. Day to day operation of the theatre is in the hands of various departmental groups each of which has a trustee link to the council.

Risk management

The trustees have a risk management strategy which comprises an ongoing review of the risks the charity may face; the establishment of systems and procedures to mitigate the identified risks; and the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Objectives and activities

Objects

The objects of the charity are the preservation of 'The Stables' building and the education of the public in the dramatic arts.

Activities

The charity owns and occupies 'The Stables' building. Having initially restored the then derelict Grade 2* listed building and converted it into a theatre and arts centre, the charity continues to maintain and operate it.

Strategy to achieve objects

The strategy of the charity is to provide the public with opportunities to experience the dramatic arts at all levels, whether as direct participants or audience. The Stables venue is operated entirely by volunteer members who undertake all the tasks associated with a theatre and arts centre, such as stage management, set design and building, lighting and sound, wardrobe, art gallery management, box office, bar and front of house duties. For those wishing to act or direct the charity has an amateur group which produces 9-10 plays each year to a very high standard and is a member of the Little Theatre Guild of Great Britain. In addition to these plays, touring and other professional productions are staged, the facilities are made available to other local amateur and community groups, art exhibitions are held each month in the gallery and workshops and other items are programmed.

In setting the charity's objectives and planning its activities the trustees have given consideration to the Charity Commission guidance on public benefit.

The Stables Trust Limited

Trustees' Report

Achievements and performance

A programme of varied productions and events was again well received by those who attended. A full season of items was programmed, providing a total of 119 performances, which attracted an audience of 10,869, representing a 7% decrease in average capacity to 72% compared with the previous year. Two other local amateur drama groups were invited to bring their current productions into the Stables for short runs. These were both stage versions of popular TV comedy series and each sold out, bringing new audiences to the theatre. Building on the experience of the previous year's first staging of a Fringe festival, the Stables provided the venue for the theatrical items in the Hastings Fringe. The theatre will continue to present a wide variety of productions to suit all tastes, and people are encouraged to attend those unfamiliar to them.

During this year the major infrastructure works were the replacement of the auditorium ceiling, including re-flooring and insulating the loft area, and upgrading the auditorium seat bases and backs to provide improved comfort. The box office computer software was replaced by a more efficient system encompassing both ticket sales and membership administration, which allows the public to select their seats when purchasing tickets. The programme of risk assessments and volunteer training in all areas has continued to be developed, to enable the theatre to meet its legal responsibilities in these regards and to attract new volunteers.

Financial review

The decrease in audience numbers resulted in the expected decrease in box office income, and had the usual knock-on effect on other areas of the theatre's operations, notably the bar and catering. Cost increases have largely been contained, for example by greater use of electronic communication with members and energy efficiency measures. The major infrastructure expenditure during recent years will not recur for the foreseeable future.

We are grateful to our sponsors, who have contributed £4,200 to income this year.

Overall an operating deficit of £12,461 was achieved for the year. However, the budget for 2016/17 and the level of reserves has enabled the trustees to hold ticket and membership prices for the 2017 season.

Investment powers and policy

Under the memorandum and articles of association the charity has the power to invest in any way the trustees wish. The trustees, having regard to the liquidity requirements of operating the theatre and to the reserves policy, have operated a policy of keeping available funds in an interest bearing deposit account which pays a rate of interest as close as possible to the rate of inflation.

Reserves policy

By having a policy of operating entirely with volunteers the charity is able to meet the normal running costs of its activities without the need for regular grant funding. However, it is the policy of the trustees to maintain free reserves of £30,000 to cover possible emergency repairs to the building and other contingencies. The actual free reserves at the year end date, that is funds which are not restricted or represented by fixed assets or designated by the trustees for a particular purpose, were £84,894, which the trustees consider is satisfactory.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 29 November 2016 and signed on its behalf by:

.....
Harriet Davey
Secretary

Independent Examiner's Report to the Trustees of The Stables Trust Limited

I report on the accounts of the company for the year ended 30 September 2016, which are set out on pages 5 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Y O'Connor
Frampton & Co

13 London Road
Bexhill on Sea
TN39 3JR

30 January 2017

The Stables Trust Limited
Statement of Financial Activities (including Income and Expenditure Account) for the
Year Ended 30 September 2016

| | | Unrestricted Funds | Restricted Funds | Total Funds 2016 | Total Funds 2015 |
|---|------|-----------------------|---------------------|---------------------|---------------------|
| | Note | £ | £ | £ | £ |
| Incoming resources | | | | | |
| Incoming resources from generated funds | | | | | |
| Voluntary income | 2 | 29,164 | - | 29,164 | 28,569 |
| Activities for generating funds | 3 | 1,397 | - | 1,397 | 725 |
| Investment income | 4 | 112 | - | 112 | 89 |
| Incoming resources from charitable activities | 5 | 128,346 | - | 128,346 | 133,380 |
| Total incoming resources | | <u>159,019</u> | <u>-</u> | <u>159,019</u> | <u>162,763</u> |
| Resources expended | | | | | |
| Costs of generating funds | | | | | |
| Fundraising trading: cost of goods sold and other costs | 6 | 20 | - | 20 | 20 |
| Charitable activities | 6 | 171,177 | 1,343 | 172,520 | 150,437 |
| Governance costs | 6 | 283 | - | 283 | 457 |
| Total resources expended | | <u>171,480</u> | <u>1,343</u> | <u>172,823</u> | <u>150,914</u> |
| Net movements in funds | | (12,461) | (1,343) | (13,804) | 11,849 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 419,471 | 31,590 | 451,061 | 439,212 |
| Total funds carried forward | | <u>407,010</u> | <u>30,247</u> | <u>437,257</u> | <u>451,061</u> |

The notes on pages 7 to 12 form an integral part of these financial statements.

The Stables Trust Limited (Registration number: 591781)
Balance Sheet as at 30 September 2016

| | | 2016 | | 2015 | |
|---|------|-----------------|-----------------------|-----------------|-----------------------|
| | Note | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 10 | | 352,363 | | 361,439 |
| Current assets | | | | | |
| Stocks and work in progress | | 3,852 | | 3,277 | |
| Debtors | 11 | 24,564 | | 9,111 | |
| Cash at bank and in hand | | 76,719 | | 96,096 | |
| | | <u>105,135</u> | | <u>108,484</u> | |
| Creditors: Amounts falling due within one year | | | | | |
| | 12 | <u>(20,241)</u> | | <u>(18,862)</u> | |
| Net current assets | | | <u>84,894</u> | | <u>89,622</u> |
| Net assets | | | <u><u>437,257</u></u> | | <u><u>451,061</u></u> |
| The funds of the charity: | | | | | |
| Restricted funds | | | 30,247 | | 31,590 |
| Unrestricted funds | | | | | |
| Unrestricted income funds | | | <u>407,010</u> | | <u>419,471</u> |
| Total charity funds | | | <u><u>437,257</u></u> | | <u><u>451,061</u></u> |

For the financial year ended 30 September 2016, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board on 29 November 2016 and signed on its behalf by:

.....
Christopher Lacey
Trustee

The Stables Trust Limited
Notes to the Financial Statements for the Year Ended 30 September 2016

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 15.

Incoming resources

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income derived from events is recognised as earned (that is, as the related goods or services are provided).

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs of trading for fundraising purposes.

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.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| | |
|---|--------------------------------|
| Freehold interest in land and buildings | 2% straight line basis |
| Fixtures, fittings and equipment | 4%-25% on the reducing balance |

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

The Stables Trust Limited
Notes to the Financial Statements for the Year Ended 30 September 2016

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2 Voluntary income

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2016 £ | Total Funds 2015 £ |
|--------------------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Donations and legacies | | | | |
| Appeals and donations | 692 | - | 692 | 1,486 |
| Subscriptions and sponsorship | | | | |
| Membership subscriptions | 24,272 | - | 24,272 | 24,683 |
| Sponsorship | 4,200 | - | 4,200 | 2,400 |
| | <u>28,472</u> | <u>-</u> | <u>28,472</u> | <u>27,083</u> |
| | <u>29,164</u> | <u>-</u> | <u>29,164</u> | <u>28,569</u> |

3 Activities for generating funds

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2016 £ | Total Funds 2015 £ |
|--------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Fundraising | | | | |
| Fundraising events | 890 | - | 890 | 489 |
| 200 Club surplus | 507 | - | 507 | 236 |
| | <u>1,397</u> | <u>-</u> | <u>1,397</u> | <u>725</u> |

4 Investment income

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2016 £ | Total Funds 2015 £ |
|---------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Interest on cash deposits | <u>112</u> | <u>-</u> | <u>112</u> | <u>89</u> |

The Stables Trust Limited
Notes to the Financial Statements for the Year Ended 30 September 2016

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5 Incoming resources from charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2016 £ | Total Funds 2015 £ |
|---|----------------------------|--------------------------|--------------------------|--------------------------|
| Operation of theatre and arts centre | | | | |
| Admission charges and programmes | 86,019 | - | 86,019 | 90,345 |
| Bar income | 29,741 | - | 29,741 | 33,326 |
| Catering income | 2,811 | - | 2,811 | 3,314 |
| Art gallery income | 2,825 | - | 2,825 | 1,664 |
| Theatre and costume hire | 4,115 | - | 4,115 | 2,553 |
| Other income | 2,835 | - | 2,835 | 2,178 |
| | <u>128,346</u> | <u>-</u> | <u>128,346</u> | <u>133,380</u> |

6 Total resources expended

| | Fundraising £ | Operation of theatre and arts centre £ | Governance £ | Total £ |
|---|------------------|---|-----------------|----------------|
| Direct costs | | | | |
| Fundraising costs | 20 | - | - | 20 |
| Production costs | - | 36,919 | - | 36,919 |
| Bar purchases | - | 16,012 | - | 16,012 |
| Catering purchases | - | 1,289 | - | 1,289 |
| Art gallery costs | - | 633 | - | 633 |
| Establishment costs | - | 17,721 | - | 17,721 |
| Repairs and maintenance | - | 40,930 | - | 40,930 |
| Office expenses | - | 7,506 | - | 7,506 |
| Printing, posting and stationery | - | 3,152 | - | 3,152 |
| Sundry and other costs | - | 1,564 | 283 | 1,847 |
| Cleaning and refuse | - | 11,175 | - | 11,175 |
| Marketing | - | 14,682 | - | 14,682 |
| Bank charges | - | 4,330 | - | 4,330 |
| Depreciation of tangible fixed assets | - | 15,608 | - | 15,608 |
| Loss/(profit) on sale of fixed assets held for charity's own use | - | 999 | - | 999 |
| | <u>20</u> | <u>172,520</u> | <u>283</u> | <u>172,823</u> |

7 Trustees' remuneration and expenses

No trustees received any remuneration during the year.

The Stables Trust Limited
Notes to the Financial Statements for the Year Ended 30 September 2016

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8 Net (expenditure)/income

Net (expenditure)/income is stated after charging:

| | 2016 | 2015 |
|--|-------------|-------------|
| | £ | £ |
| Loss/(profit) on disposal of tangible fixed assets | 999 | - |
| Depreciation of tangible fixed assets | 15,608 | 15,209 |
| | 15,608 | 15,209 |

9 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

10 Tangible fixed assets

| | Freehold interest in land and buildings £ | Fixtures, fittings and equipment £ | Total £ |
|-------------------------|--|---|--------------------|
| Cost | | | |
| As at 1 October 2015 | 322,835 | 214,291 | 537,126 |
| Additions | - | 7,530 | 7,530 |
| Disposals | - | (5,082) | (5,082) |
| As at 30 September 2016 | 322,835 | 216,739 | 539,574 |
| Depreciation | | | |
| As at 1 October 2015 | 91,971 | 83,716 | 175,687 |
| Eliminated on disposals | - | (4,084) | (4,084) |
| Charge for the year | 4,805 | 10,803 | 15,608 |
| As at 30 September 2016 | 96,776 | 90,435 | 187,211 |
| Net book value | | | |
| As at 30 September 2016 | 226,059 | 126,304 | 352,363 |
| As at 30 September 2015 | 230,864 | 130,575 | 361,439 |

11 Debtors

| | 2016 | 2015 |
|--------------------------------|-------------|-------------|
| | £ | £ |
| Prepayments and accrued income | 24,564 | 9,111 |
| | 24,564 | 9,111 |

The Stables Trust Limited
Notes to the Financial Statements for the Year Ended 30 September 2016

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12 Creditors: Amounts falling due within one year

| | 2016 | 2015 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 6,904 | 4,498 |
| Accruals and deferred income | 13,337 | 14,364 |
| | <u>20,241</u> | <u>18,862</u> |

13 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

14 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

The trustee, Cliff Brooker, was paid a total of £4,470 for design services supplied in the normal course of business.

The Stables Trust Limited
Notes to the Financial Statements for the Year Ended 30 September 2016

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15 Analysis of funds

| | At 1 October 2015 | Incoming resources | Resources expended | At 30 September 2016 |
|------------------------------------|-------------------------|-----------------------|-----------------------|----------------------------|
| | £ | £ | £ | £ |
| Designated Funds | | | | |
| George Leach Memorial fund | 2,355 | - | (94) | 2,261 |
| General Funds | | | | |
| General fund | 417,116 | 159,019 | (171,386) | 404,749 |
| Restricted Funds | | | | |
| Auditorium and Access Project fund | 30,299 | - | (1,214) | 29,085 |
| Bar Furniture fund | 1,291 | - | (129) | 1,162 |
| | 31,590 | - | (1,343) | 30,247 |
| | 451,061 | 159,019 | (172,823) | 437,257 |

Purposes of designated funds:

Funeral donations in respect of the late George Leach were received by the charity and were designated by the trustees for use in replacing the theatre house tabs (stage curtains). Depreciation on the assets financed from the fund are charged against the fund balance.

Purposes of restricted funds:

The Auditorium and Access Project fund was to raise funds for that project. These included a grant from Arts Council England and the Seat Sponsors Scheme. Depreciation on the assets financed from the fund is charged against the fund balance.

The Bar Furniture fund consists of a grant from the Isobel Blackman Foundation towards the cost of new bar furniture. Depreciation on the assets financed from the fund is charged against the fund balance.

16 Net assets by fund

| | Unrestricted Funds | Restricted Funds | Total Funds 2016 | Total Funds 2015 |
|---|-----------------------|---------------------|---------------------|---------------------|
| | £ | £ | £ | £ |
| Tangible assets | 322,116 | 30,247 | 352,363 | 361,439 |
| Current assets | 105,135 | - | 105,135 | 108,484 |
| Creditors: Amounts falling due within one year | (20,241) | - | (20,241) | (18,862) |
| Net assets | 407,010 | 30,247 | 437,257 | 451,061 |