

COMPANY REGISTRATION NUMBER: 01377655
CHARITY REGISTRATION NUMBER: 276308

Wells Operatic Society Limited
Company Limited by Guarantee
Unaudited Financial Statements
31 December 2020



WEBB & CO LTD
Accountants and Business Advisers
One New Street
Wells
Somerset
BA5 2LA

Wells Operatic Society Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2020

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Wells Operatic Society Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name	Wells Operatic Society Limited
Charity registration number	276308
Company registration number	01377655
Principal office and registered office	Little Theatre Chamberlain St Wells Somerset BA5 2PS

The trustees

P Perrin
K Edmonds
R Wright
S Edmonds
M Scammell
G A Brown
L Jones
N McGrogan
A Lanfranchi
E Russell
E Carey
J Hartley Scammel

Company secretary	N McGrogan
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Independent examiner	Barry Davidson FCCA FCA One New Street Wells Somerset BA5 2LA
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Wells Operatic Society Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Structure, governance and management

The company was registered with the Charity Commission (registration number 276308) on 7th July 1978.

The trustees review the charity's needs to ensure that new trustees are recruited with the necessary skills required by the charity.

Risk

The trustees are watchful of the risks there may be in pursuing their aims. They have examined the principal areas of the Charity's operations and considered the major risks faced in each of those areas. In their opinion they have established review systems which, under normal conditions, would allow these risks to be mitigated to an acceptable level in its day to day operations.

The trustees are mindful of the Charity Commission guidance on public benefit.

Objectives and activities

The primary purpose of the charity is to promote, maintain, improve and advance education by the production of educational plays and the encouragement of the arts

Achievements and performance

The trustees are happy with the financial performance for the year with a net deficit of £11,456 being taken to reserves.

Wells Operatic Society Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Financial review

At the start of 2020 we had 4 shows scheduled to take place in the next 12 months. They were:

- Quartet: 25 - 28 March (rescheduled for September 2021)
- Big Fish: 11 - 16 May (rescheduled for May 2022)
- And Then There Were None: 15 - 19 September (rescheduled for September 2022)
- Cinderella: 12 - 19 December (rescheduled for December 2021)

We also had 9-5: The Musical scheduled for May 2021 which was put forward to May 2022 and has now been cancelled. There have been no extra charges made for these changes and the deposit we paid for 9-5 has been returned. Sadly Quartet had to be cancelled at a week's notice which meant that all tickets had to be refunded. Costs of the production are able to be carried over until such time as we can reschedule. No tickets had been sold for the other shows and they have now all been rescheduled also. It is the profits from these shows, particularly the pantomime which mainly pay for the running of the theatre.

Our members usually pay a subscription each year but we took the decision to cancel all membership fees until we are able to open the theatre to everyone again.

Other income for the theatre comes from room hire, some of which was able to take place when restrictions were eased in early autumn but had to stop each time we went back into lockdown.

The bar has not been open since the start of the first lockdown and we have had to write off quite a lot of stock.

We have been fortunate to receive small business grants of £10,000 and £1,300 (receivable January 2021) which have enabled us to continue to maintain the building and there is the promise of a further grant to cover the current lockdown.

At the beginning of 2020 we had nearly £40,000 in the bank and another £41,300 in our COIF Deposit account. With nothing happening in the theatre our general running costs would normally amount to around £15,000 so we were confident that we would be able to continue until things returned to normal, for at least 12 months. The small business grants went a long way towards covering our basic costs and the Trustees took the decision to undertake around £10,000 worth of renovation work inside the theatre. This has included a complete overhaul of the rehearsal room and some decoration work in the auditorium and is the sort of work that was long overdue but very difficult to carry out with the building constantly in use.

It is difficult to predict what the situation will be going forward and even if we are able to stage two shows in 2021 it may have to be to reduced audiences which will affect income. However, we are all ready and waiting to resume activities as soon as possible.

Reserves

The trustees consider that the reserves of £218,800 are adequate to meet the future requirements of the charity. The reserves are allocated as follows:

Unrestricted	£218,800
Restricted	£nil

Wells Operatic Society Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 26/3/21 and signed on behalf of the board of trustees by:



P Perrin
Trustee

Wells Operatic Society Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Wells Operatic Society Limited

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of Wells Operatic Society Limited ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

The trustees are also the directors of the company for the purposes of company law are responsible for the preparation of the financial statements. 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.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Dated 6 April 2021

Barry Davidson FCCA FCA
Independent Examiner
Webb & Company Ltd
One New Street
Wells
Somerset
BA5 2LA

Wells Operatic Society Limited
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 December 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations, grants and subscriptions	5	11,660	11,660	7,300
Charitable activities	6	–	–	31,127
Other trading activities	7	2,917	2,917	12,915
Investment income	8	98	98	255
Total income		<u>14,675</u>	<u>14,675</u>	<u>51,597</u>
Expenditure				
Expenditure on raising funds:				
Costs of other trading activities	9	3,206	3,206	6,529
Expenditure on charitable activities	10,11	22,925	22,925	48,609
Total expenditure		<u>26,131</u>	<u>26,131</u>	<u>55,138</u>
Net expenditure and net movement in funds		<u>(11,456)</u>	<u>(11,456)</u>	<u>(3,541)</u>
Reconciliation of funds				
Total funds brought forward		230,256	230,256	233,797
Total funds carried forward		<u>218,800</u>	<u>218,800</u>	<u>230,256</u>

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

The notes on pages 8 to 15 form part of these financial statements.

Wells Operatic Society Limited
Company Limited by Guarantee
Statement of Financial Position *(continued)*

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	16	140,630	145,056
Current assets			
Stocks	17	803	1,092
Debtors	18	7,506	6,328
Cash at bank and in hand		76,799	82,170
		<u>85,108</u>	<u>89,590</u>
Creditors: amounts falling due within one year	19	6,938	4,390
Net current assets		<u>78,170</u>	<u>85,200</u>
Total assets less current liabilities		218,800	230,256
Net assets		<u>218,800</u>	<u>230,256</u>
Funds of the charity			
Unrestricted funds		218,800	230,256
Total charity funds	20	<u>218,800</u>	<u>230,256</u>

For the year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on26/3/21..... and are signed on behalf of the board by:



P Perrin
Trustee

Company registration number: 01377655
Charity registration number: 276308

The notes on pages 8 to 15 form part of these financial statements.

Wells Operatic Society Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and a registered charity in England and Wales. The address of the registered office is Little Theatre, Chamberlain St, Wells, Somerset, BA5 2PS.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements are prepared in sterling, rounded to the nearest £, which is the functional currency of the entity.

Going concern

On 11 March 2020 the World Health Organisation declared a worldwide pandemic due to the Covid-19 virus. Although future revenue may be impacted due to the current and potential additional further restrictions imposed by the government, the Trustees are satisfied that the going concern basis of preparation of accounts remains appropriate.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Wells Operatic Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from theatrical performances is recognised on completion of the production.

Wells Operatic Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

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

Freehold property	- 2% reducing balance
Equipment	- 15% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Wells Operatic Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Debtors and prepayments

Trade and other debtors are recognised at the settlement amount due after any discounts. Prepayments are valued at the amount prepaid net of any discounts.

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are only recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

4. Limited by guarantee

Wells Operatic Society Limited is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such an amount as may be required, not exceeding £1, to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Wells Operatic Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

5. Donations, grants and subscriptions

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations	395	395	2,440	2,440
Grants				
Grants receivable	10,000	10,000	–	–
Subscriptions				
Subscriptions	1,265	1,265	4,860	4,860
	<u>11,660</u>	<u>11,660</u>	<u>7,300</u>	<u>7,300</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Box office sales	–	–	29,546	29,546
Programme sales	–	–	1,581	1,581
	<u>–</u>	<u>–</u>	<u>31,127</u>	<u>31,127</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Hire of theatre	2,153	2,153	5,446	5,446
Bar takings	764	764	7,469	7,469
	<u>2,917</u>	<u>2,917</u>	<u>12,915</u>	<u>12,915</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	98	98	255	255
	<u>98</u>	<u>98</u>	<u>255</u>	<u>255</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bar	3,206	3,206	6,529	6,529
	<u>3,206</u>	<u>3,206</u>	<u>6,529</u>	<u>6,529</u>

Wells Operatic Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Theatre account	4,728	4,728	25,996	25,996
Support costs	18,197	18,197	22,613	22,613
	<u>22,925</u>	<u>22,925</u>	<u>48,609</u>	<u>48,609</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2020 £	Total fund 2019 £
Theatre account	<u>4,728</u>	<u>18,197</u>	<u>22,925</u>	<u>48,609</u>

12. Analysis of support costs

	Total 2020 £	Total 2019 £
Premises	–	12,954
General office	–	2,823
Governance costs	–	1,992
Depreciation	–	4,679
	<u>–</u>	<u>22,448</u>

13. Net expenditure

Net expenditure is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	<u>4,426</u>	<u>4,679</u>

14. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,807</u>	<u>1,992</u>

15. Trustee remuneration and expenses

No trustees received remuneration in the year

No trustee expenses have been incurred and no trustees have waived expenses.

Wells Operatic Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

16. Tangible fixed assets

	Freehold property £	Plant and machinery £	Total £
Cost			
At 1 January 2020 and 31 December 2020	136,135	78,545	214,680
Depreciation			
At 1 January 2020	11,052	58,572	69,624
Charge for the year	2,352	2,074	4,426
At 31 December 2020	13,404	60,646	74,050
Carrying amount			
At 31 December 2020	122,731	17,899	140,630
At 31 December 2019	125,083	19,973	145,056

17. Stocks

	2020 £	2019 £
Raw materials and consumables	803	1,092

18. Debtors

	2020 £	2019 £
Trade debtors	629	120
Prepayments and accrued income	6,877	6,208
	7,506	6,328

19. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,338	894
Accruals and deferred income	5,054	2,523
Social security and other taxes	546	973
	6,938	4,390

Wells Operatic Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

20. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2020	Income	Expenditure	At 31 Dec 2020
	£	£	£	£
General funds	<u>230,256</u>	<u>14,675</u>	<u>(26,131)</u>	<u>218,800</u>

	At 1 Jan 2019	Income	Expenditure	At 31 Dec 2019
	£	£	£	£
General funds	<u>233,797</u>	<u>51,597</u>	<u>(55,138)</u>	<u>230,256</u>

The unrestricted fund is to be used to meet the charity's objectives as the trustees see fit in accordance with the Memorandum and Articles of Association.

21. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2020
	£	£
Tangible fixed assets	140,630	140,630
Current assets	85,108	85,108
Creditors less than 1 year	(6,938)	(6,938)
Net assets	<u>218,800</u>	<u>218,800</u>

	Unrestricted Funds	Total Funds 2019
	£	£
Tangible fixed assets	145,056	145,056
Current assets	89,590	89,590
Creditors less than 1 year	(4,390)	(4,390)
Net assets	<u>230,256</u>	<u>230,256</u>

22. Related parties

There were no related party transactions.

23. Staff numbers

The average head count of employees during the year was Nil (2019:Nil)

Wells Operatic Society Limited

Company Limited by Guarantee

Management Information

Year ended 31 December 2020

The following pages do not form part of the financial statements.

Wells Operatic Society Limited
Company Limited by Guarantee
Detailed Statement of Financial Activities
Year ended 31 December 2020

	2020 £	2019 £
Income and endowments		
Donations, grants and subscriptions		
Donations	395	2,440
Grants receivable	10,000	–
Subscriptions	1,265	4,860
	<u>11,660</u>	<u>7,300</u>
 Charitable activities		
Box office sales	–	29,546
Programme sales	–	1,581
	<u>–</u>	<u>31,127</u>
 Other trading activities		
Hire of theatre	2,153	5,446
Bar takings	764	7,469
	<u>2,917</u>	<u>12,915</u>
 Investment income		
Bank interest receivable	98	255
	<u>98</u>	<u>255</u>
 Total income	<u><u>14,675</u></u>	<u><u>51,597</u></u>

Wells Operatic Society Limited
Company Limited by Guarantee
Detailed Statement of Financial Activities *(continued)*
Year ended 31 December 2020

	2020 £	2019 £
Expenditure		
Costs of other trading activities		
Opening stock	842	610
Purchases	504	3,848
Closing stock	(553)	(842)
Rates and water	152	118
Light and heat	998	1,095
Insurance	576	540
Bar cleaning costs	547	1,020
Bar licences	140	140
	<u>3,206</u>	<u>6,529</u>
 Expenditure on charitable activities		
Rates and water	456	353
Light and heat	2,994	3,285
Repairs and maintenance	8,125	11,741
Insurance	1,728	1,619
Telephone	393	416
Other office costs	1,299	1,834
Depreciation	4,426	4,679
Stage production costs	–	17,850
Credit card charges	–	2,261
Cleaning and refuse collection	1,276	2,381
Website costs	423	198
Accountancy	1,805	1,992
	<u>22,925</u>	<u>48,609</u>
 Total expenditure	<u>26,131</u>	<u>55,138</u>
 Net expenditure	<u>(11,456)</u>	<u>(3,541)</u>