

Charity Registration No. SC013628

Company Registration No. 215744 (Scotland)

Nairn Drama Limited
(a company limited by guarantee)
Directors' Report and Unaudited
For The Year Ended 28 February 2009

FRIDAY



SFZXCD6Y

SCT

11/09/2009

1166

COMPANIES HOUSE

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Directors

Simon Fraser
Sandra McGowan
Alison Stirling

Secretary

Elizabeth Mayberry

Charity number

SC013628

Company number

215744

Registered office

Cobelachan
Moss-side
Nairn
IV12 5NZ

Accountants

Johnston Carmichael
Clava House
Cradlehall Business Park
Inverness
IV2 5GH

Bankers

Bank of Scotland
73 High Street
Nairn
IV12 4BS

Solicitors

R & R Urquhart
(Incorporating Macgregor & Co)
20 High Street
Nairn
IV12 4AX

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS

	Page
Directors' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the accounts	6 - 10

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2009

The directors present their report and accounts for the year ended 28 February 2009.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 1985 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity is a charitable company limited by guarantee governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, who served during the year were:

Simon Fraser

Sandra McGowan

Alison Stirling

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

The overall management and policy decisions of the company are the responsibility of the board of directors who are elected under the terms of the company's Article of Association, annually at the AGM.

The directors 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.

Objectives and activities

The charity encourages and develops appreciation, performance and production of the dramatic arts in all their forms. This is done with productions of club shows, touring groups of actors and musicians. The theatre is for hire by any interested party and has hosted The Nairn Jazz Festival and numerous private functions.

Achievements and performance

The company continued to receive funding to support its activities. The company absorbed a deficit of £13,557 (2008 - £14,944) during the year. The deficit arises due to the depreciation charged to the restricted fund and does not affect the company's unrestricted funds which made a surplus of £1,159 (2008 - £1,552).

Financial review

The charity operates two main reserves. The general reserve represents unrestricted funds arising from past operating results and includes £30,000, which relates to the donated value of land. The restricted fund is a capital fund relating to the building of the Theatre and at 28 February 2009 held funds of £409,616 (2008 - £424,332).

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2009

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

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board of directors

Elizabeth Mayberry

Director

Dated: *E. Mayberry*
3 September 2009

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT
TO THE DIRECTORS OF NAIRN DRAMA LIMITED

I report on the accounts of the charity for the year ended 28 February 2009, which are set out on pages 4 to 10.

This report is made to the charity's board of directors, as a body, in accordance with the terms of engagement. My work has been undertaken to enable me to undertake an independent examination of the charity's accounts on behalf of the charity's board of directors and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's board of directors as a body, for my work or for this report.

Respective responsibilities of directors and examiner

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

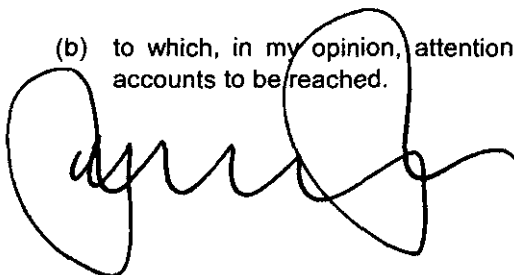
Basis of independent examiner's report

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

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Jamie Waugh FCA for Johnston Carmichael
Independent examiner
Clava House
Cradlehall Business Park
Inverness
IV2 5GH

Dated: 8 September 2009

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2009

	Notes	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
<u>Incoming resources</u>					
Incoming resources from generated funds					
Voluntary income	2	1,012	-	1,012	788
Investment income	3	303	-	303	251
		1,315	-	1,315	1,039
Incoming resources from charitable activities					
	4	8,132	5,805	13,937	12,894
Other incoming resources	5	2,003	-	2,003	2,278
		11,450	5,805	17,255	16,211
Total incoming resources					
<u>Resources expended</u>					
Charitable activities					
Production costs		2,056	-	2,056	4,508
Premises expenses		5,458	10,979	16,437	13,642
Other expenditure		1,377	9,542	10,919	11,905
		8,891	20,521	29,412	30,055
Total charitable expenditure					
Governance costs					
		1,400	-	1,400	1,100
Total resources expended					
		10,291	20,521	30,812	31,155
Net income/(expenditure) for the year/					
Net movement in funds		1,159	(14,716)	(13,557)	(14,944)
Fund balances at 29 February 2008					
		43,075	424,332	467,407	482,351
Fund balances at 28 February 2009					
		44,234	409,616	453,850	467,407

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 28 FEBRUARY 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Tangible assets	9	441,172		458,693	
Current assets					
Debtors	10	692		341	
Cash at bank and in hand		13,826		9,773	
		14,518		10,114	
Creditors: amounts falling due within one year	11	(1,840)		(1,400)	
Net current assets		12,678		8,714	
Total assets less current liabilities		453,850		467,407	
Funds					
Restricted funds	12	409,616		424,332	
Unrestricted funds		44,234		43,075	
		453,850		467,407	

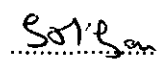
The directors are satisfied that the company is entitled to the exemption from the audit requirement contained in section 249A(2) of the Companies Act 1985, for the year ended 28 February 2009. No member of the company has deposited a notice, pursuant to section 249B(2), requiring an audit of these accounts.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with section 221 of the Act; and
- (b) preparing accounts which give a true and fair view of the state of affairs of the company at 28 February 2009 and of its profit for the year then ended in accordance with section 226, and otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The accounts were approved by the Board on 3/9/09.....


 Sandra McGowan
 Director

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 28 FEBRUARY 2009

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985.

The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities.

1.2 Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

There were no donated assets received by the charity. No amounts are included in the financial statements for services donated by volunteers.

1.3 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended net of VAT where applicable.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated

Freehold buildings 2% straight line

Fixtures, fittings & equipment 15% reducing balance

Freehold land of £30,000 is included in tangible fixed assets and is not depreciated.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2009

2 Voluntary income

	2009 £	2008 £
Donations and membership income	<u>1,012</u>	<u>788</u>

3 Investment income

	2009 £	2008 £
Interest receivable	<u>303</u>	<u>251</u>

4 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
Admissions	8,132	-	8,132	10,228
Highland Council grant	-	5,805	5,805	2,666
	<u>8,132</u>	<u>5,805</u>	<u>13,937</u>	<u>12,894</u>

The Highland Council grant related to costs towards a mural for the theatre building.

5 Other incoming resources

	2009 £	2008 £
Other miscellaneous income	<u>2,003</u>	<u>2,278</u>

Other income includes £483 (2008 - £2,166) in relation to the hire of the premises.

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2009

6 Total resources expended

	Depreciation	Other costs	Total 2009	Total 2008
	£	£	£	£
Charitable activities				
<u>Production costs</u>				
Activities undertaken directly	-	2,056	2,056	4,508
<u>Premises expenses</u>				
Activities undertaken directly	7,979	8,458	16,437	13,642
<u>Other expenditure</u>				
Activities undertaken directly	9,542	1,377	10,919	11,905
	17,521	11,891	29,412	30,055
Governance costs	-	1,400	1,400	1,100
	17,521	13,291	30,812	31,155

Premises expenses consists of rates of £35 (2008 - £96), insurance of £2,038 (2008 - £1,874), light and heat of £1,718 (2008 - £1,457), repairs of £1,667 (2008 - £2,236) mural costs of £3,000 (2008 - £nil), and depreciation of £7,979 (2008 - £7,979).

Other expenditure includes advertising of £188 (2007 - £361), general expenses of £1,136 (2008 - £260), subscriptions of £53 (2008 - £50), and depreciation of £9,542 (2008 - £11,183).

Governance costs includes Independent examiner's fees of £1,400 (2008 - £1,100).

7 Directors

None of the trustees (or any persons connected with them) received any remuneration or reimbursement of expenses during the period.

8 Employees

There were no employees during the year.

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2009

9 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 29 February 2008 and at 28 February 2009	<u>428,925</u>	<u>122,847</u>	<u>551,772</u>
Depreciation			
At 29 February 2008	33,847	59,232	93,079
Charge for the year	7,979	9,542	17,521
At 28 February 2009	<u>41,826</u>	<u>68,774</u>	<u>110,600</u>
Net book value			
At 28 February 2009	<u>387,099</u>	<u>54,073</u>	<u>441,172</u>
At 28 February 2008	<u>395,078</u>	<u>63,615</u>	<u>458,693</u>

10 Debtors

	2009	2008
	£	£
Other debtors	579	184
Prepayments and accrued income	113	157
	<u>692</u>	<u>341</u>

11 Creditors: amounts falling due within one year

	2009	2008
	£	£
Accruals	<u>1,840</u>	<u>1,400</u>

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2009

12 Restricted funds

The income funds of the charity include restricted funds comprising the following expended balances of donations and grants held on trust for specific purposes:

	Balance at 29 February 2008	Movement in funds		Balance at 28 February 2009
	£	Incoming resources	Resources expended	£
Building fund	424,332	-	(17,521)	406,811
Mural	-	5,805	(3,000)	2,805
	<u>424,332</u>	<u>5,805</u>	<u>(20,521)</u>	<u>409,616</u>

Restricted funds represents capital funding received from various sources for the construction and equipping of the new theatre.

During the year the company received £5,805 from Highland Council towards the costs of a mural on the outside of the theatre building. This work was still in progress at the year end.

13 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 28 February 2009 are represented by:			
Tangible fixed assets	34,361	406,811	441,172
Current assets	11,713	2,805	14,518
Creditors: amounts falling due within one year	(1,840)	-	(1,840)
	<u>44,234</u>	<u>409,616</u>	<u>453,850</u>

14 Control

The company is controlled by the directors on behalf of the members of the company.