

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

Charity Registration No. SC013628

Company Registration No. SC215744 (Scotland)



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

Directors	Sandra McGowan Iain Bruce Karen Kemp
Secretary	Elizabeth Mayberry
Charity Number	SC013628
Company Number	SC215744
Registered Office	Cobelachan Moss-side Nairn IV12 5NZ
Independent examiner	James Wallace Alba Business Services 3 Wellington Road Nairn IV12 4RE
Solicitors	R & R Urquhart 20 High Street Nairn IV12 4AX

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS

	Page
Directors' report	1-3
Independent examiners' report	4
Statement of financial activities	5
Balance sheet	6
Notes to the accounts	7-11

**NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTOR'S REPORT**

FOR THE YEAR ENDED 28 FEBRUARY 2021

The directors present their report and accounts for the year ended 28 February 2021.

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 2006 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:

Sandra McGowan
Iain Bruce
Karen Kemp

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 of 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,

**NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTOR'S REPORT (CONTINUED)**

FOR THE YEAR ENDED 28 FEBRUARY 2021

After a very trying year, there is very little to report for this year as lockdown came just 3 weeks after our year end. We had just two events pre-lockdown which were heats of the SCDA one-act play festival. The brought in a total of £650 which was the last income from hires in this year.

We had planned a trip to His Majesty's Theatre in Aberdeen in March but obviously this was cancelled. 10 of our members had paid £78 for this trip and, unfortunately, we were unable to obtain refund (though we tried). These members were very understanding about this loss. Theatre still holding the ticket money for when performance goes ahead but Travel Inn and British Rail did not refund costs as we had cancelled and not them, A lesson learned.

Dionne was able to hold some classes between lockdowns and we had income of £665 from this (thanks Dionne). A friend of Karen's has donated her loose change for us to install audio equipment and the year this has totaled £319.84. We did a Santa's message for children but there was very little take up of this and only £35 was raised. This is all the income we have had this year which is causing some concern, obviously.

A large part of our outlays this year was payment for the decoration of the foyer and upstairs balcony bar £2,200, insurance was £1,914, Telephone £509.36, Accountant £600, Electricity £1,517 and all the other expenses incurred in running the theatre even though it was closed.

We hope that things improve for us soon.

Iain Bruce
Director

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

FOR THE YEAR ENDED 28 FEBRUARY 2021

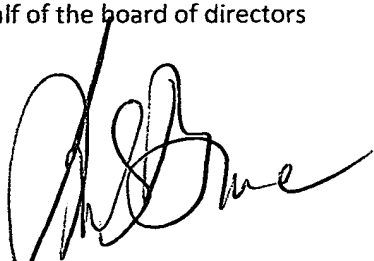
Financial review

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 2020 held funds of £337,467 (2020 - £337,467).

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 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 relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board of directors



Iain Bruce

Director

Dated:

14th JUNE 2021

**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 2021, which are set out on pages 5 to 11.

This report is made of 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 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 trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Charity 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) 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 2006 Accounts Regulations. 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 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 I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

(a) which gives me reasonable cause to believe that in any material respect requirements:

- (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) 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 Charities;
- have not been met; or

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

James Wallace FCCA
Alba Business Services
3 Wellington Road
Nairn
IV12 4RE

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2021

		Unrestricted funds	Restricted funds	Total	Total
	Notes	£	£	2021 £	2020 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	1,260	-	1,260	4,931
Activities for generating funds		-	-	-	2,991
Investment income	3	-	-	-	-
		1,260	-	1,260	7,922
Incoming resources from charitable activities	4	251	-	251	13,113
Other incoming resources	5	594	-	594	2,841
Total incoming resources		2,105	-	2,105	23,876
Resources expended	6				
Charitable activities					
Production costs		91	-	91	5,887
Premises expenses		9,504	9,244	18,748	19,987
Other expenditure		777	-	777	5,018
Total charitable expenditure		10,372	9,244	19,616	30,892
Governance costs		600	-	600	600
Total resources expended		10,972	9,244	20,216	31,492
Net Income/(expenditure) for the year/ net movement in funds		- 8,867	- 9,244	- 18,111	- 7,616
Fund balances at 1 March 2019		48,755	294,780	343,535	343,535
Fund balances at 28 February 2020		39,888	285,536	325,424	335,919

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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

AS AT 28 FEBRUARY 2021

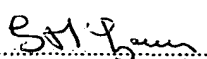
	Notes	2021 £	£	2020 £	£
Fixed assests					
Tangible assets	9		298,520		307,764
Current assets					
Debtors	10	131		2,962	
Cash at bank and in hand		14,112		20,147	
Creditors: amounts falling due within one year	11	<u>-600</u>		<u>-600</u>	
Net current assets			<u>13,643</u>		<u>22,509</u>
Total assets less current liabilities			<u>312,163</u>		<u>330,273</u>
Income funds					
Restricted funds	12		337,467		337,467
Unrestricted funds			<u>-25,304</u>		<u>-7,194</u>
			<u>312,163</u>		<u>330,273</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2021. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The accounts were approved by the board on 14 June 2021



Sandra McGowan
 Director

Company Registration No. SC215744

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2021

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, the Companies Act 2006, and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

The charity has availed itself of section 396 of the Companies Act 2006, as permitted in paragraph 4(1) of schedule 1 of Statutory Instrument 2008 No.409, 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

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 2021

2 Voluntary income

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	1,260	0	1,260	4,931
Grants receivable for core activities	0	0	0	0
	<u>1,260</u>	<u>0</u>	<u>1,260</u>	<u>4,931</u>

Donations and gifts includes donations of £1,260(2020 -£2,671), and sponsorships and memberships of £Nil (2019 -£2,260).

3 Investment income

	2021	2020
	£	£
Interest receivable	<u>-</u>	<u>-</u>

4 Incoming resources from charitable activities

	2021	2020
	£	£
Ticket income	<u>251</u>	<u>13,113</u>

5 Other incoming resources

	2021	2020
	£	£
Other income	<u>594</u>	<u>2,841</u>

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

6 Total resources expended	Staff costs	Depreciation	Other costs	Total 2021	Total 2020
	£	£	£	£	£
Charitable activities					
<u>Production costs</u>					
Activities undertaken directly	-	-	91	91	5,888
<u>Premises expenses</u>					
Activities undertaken directly	-	9,244	9,504	18,748	19,987
<u>Other expenditure</u>					
Activities undertaken directly	-	-	777	777	5,018
	-	9,244	10,372	19,616	30,892
Governance costs	-	-	600	600	600
	-	9,244	10,972	20,216	31,492

Insurance of £1,914 (2020 -£1,826), light and heat of £1,517 (2020 - £3,172), repairs of £5,562 (2020 - £5,482), and depreciation of £7,979 (2019 - £7,979).

Other expenditure includes advertising of £Nil (2020 -£136), general expenses of £747 (2020 - £2,567), subscriptions of £30 (2020 - £827), and depreciation of £1,265 (2020 - £1,488)

Governance costs includes independent exaimer's fees of £600 (2020 - £600).

7 Directors

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

Three trustee were paid honorariums of £Nil (2020 - £1,100) towards reimbursement of expenses.

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 2021

9 Tangible fixed assets

	Land and Buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 March 2020	428,925	121,297	550,222
Disposals		-	-
As at 28 February 2021	<u>428,925</u>	<u>121,297</u>	<u>550,222</u>
Depreciation			
At 1 March 2020	129,593	112,865	242,458
Charge for the year	7,979	1,265	9,244
As at 28 February 2021	<u>137,572</u>	<u>114,130</u>	<u>251,702</u>
Net book value			
At 28 February 2021	<u>291,353</u>	<u>7,167</u>	<u>298,520</u>
At 28 February 2020	<u>299,332</u>	<u>8,432</u>	<u>307,764</u>

Freehold land of £34,361 which is included within the land and buildings, is not depreciated.

10 Debtors

	2021	2020
	£	£
Other debtors	<u>131</u>	<u>2,962</u>

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals	<u>600</u>	<u>600</u>

NAIRN DRAMA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

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:

	Movement in funds		
	Balance at 01-Mar 2020	incoming resources	Resources expended
	£	£	£
Building fund	336,837	0	0
Bahs Findlay Fund	500	0	0
Highland Council Touring Arts Fund	130	0	0
	337,467	0	0

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

The company received funding from the Highland Council towards the costs of a mural on the outside of the theatre building. All specific funds raised for this mural have been expended and any further work will be met from unrestricted funds.

13 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 28 February 2021 are represented by:			
Tangible fixed assets	- 38,947	337,467	298,520
Current assets	14,243	-	14,243
Creditors: amounts falling due within one year	- 600	-	600
	- 25,304	337,467	312,163

14 Control

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