



<u>Applicant Details</u>	
Name and Address of Applicant/Organisation:	Eastgate Theatre (Peebles) Limited Eastgate Peebles EH45 8AD
Telephone No:	011721 725777 (Theatre/General manager)
E-mail address:	()
Address to which payment should be made:	Caroline Adam, General Manager Eastgate Theatre Eastgate, Peebles EH45 8AD
<u>Activities</u> Please supply a brief description of the activities of your organisation and the benefits it brings to the local community:	<p>Eastgate Theatre (Peebles) limited is a community based company incorporated in Scotland and registered as a charity. It was originally established in 1996 in order to campaign for community arts facilities in Tweeddale. Following several years of fundraising, the company acquired a 19th Century church building and converted this into a theatre and arts centre which opened to the public in 2004. Since then the Eastgate Theatre has developed into a vibrant creative centre which serves Peebles, Tweeddale and the Scottish Borders, enhancing the cultural, creative and social life of our community</p> <p>The theatre's current activities include:</p> <ul style="list-style-type: none"> *A year-round events programme consisting of more than 100 live performances and around 100 film screenings. Almost 20,000 tickets were sold for over 200 public events *A further four short festivals which include performances, exhibitions, films, guided walks, reading events and outdoor activities. *A wide range of creative classes, workshops and courses catering for all ages, from pre-school to senior citizens and ,aking provision for all levels of ability. *A series of outreach projects designed to provide creative opportunities for people who may find it difficult to access the building, including the elderly, frail and isolated. *Making facilities, services and advice available to a large number of organisations and individuals throughout the year.. *A popular community café serving visitors and residents, and with a dementia friendly certification .

<p><u>Assistance Requested</u> Please indicate the sum requested and the purpose for which it will be used:</p>	<p>We are asking trustees to consider re-opening the Fund's offer of a loan in principle, (of. say, £20/25k) to give us resilience as we undertake a major development in the Theatre.</p> <p>The Eastgate Theatre Development Project plans to upgrade the Auditorium and make improvements to the Foyer/Entrance are in place .</p> <p>Funds have been raised, Contractors have been appointed. Construction work is scheduled to begin on 17th June, and to be completed by end August.</p> <p>The theatre will be closed for the duration of the works, though it is hoped to re-open the café in August</p> <p>Budgets are in place, with provision for cash-flow issues (relating to varying payment methods of particular grant-funders) and contingency allowances relating to construction work.</p> <p>If all goes smoothly we will not need to access any loan which may be made available.</p> <p>However, budgets are tight and there must be uncertainties about business interruption and re-opening after a closure.</p> <p>It would therefore be of great comfort to know that we could have access to funds in the event of unexpected difficulties arising., which would allow us to address the problem in the immediate term and have time to recover the situation over a period.</p> <p>I hope that our fundraising success of last year, would allow Trustees to have confidence in us as borrowers.</p> <p>I would be happy to give further information in person if that is judged appropriate.</p>
<p>When will the donation be required:</p>	<p>If we need to access the financial support, it would most likely be at a point between July and October 2019 to assist with cash flow issues.</p>

<p>If this is a one-off project then please give the following details –</p> <p>Date (s):</p> <p>Estimated total cost:</p> <p>Funds already raised by applicant's own efforts:</p> <p>Funds raised or expected to be raised from other sources (please state sources):</p>	<p>Eastgate Theatre Development</p> <p>Auditorium upgrade and Foyer/Entrance improvements</p> <p>Construction work scheduled Mid-June to end August 2019</p> <p>C £440k</p> <table> <tr> <td>Local fundraising</td> <td>£ 95k</td> </tr> <tr> <td>Scottish Border Leader</td> <td>£150k</td> </tr> <tr> <td>Foyle Foundation</td> <td>£ 40k</td> </tr> <tr> <td>Land Trust</td> <td>£ 30k (supported by 3rd party PCG grant)</td> </tr> <tr> <td>BCCF</td> <td>£ 30k</td> </tr> <tr> <td>WREN</td> <td>£ 80k(supported by 3rd party PCG grant)</td> </tr> <tr> <td>Hugh Fraser Fnd.</td> <td>£ 10k</td> </tr> <tr> <td>Doris Field Fnd</td> <td>£ 5k</td> </tr> </table>	Local fundraising	£ 95k	Scottish Border Leader	£150k	Foyle Foundation	£ 40k	Land Trust	£ 30k (supported by 3 rd party PCG grant)	BCCF	£ 30k	WREN	£ 80k(supported by 3 rd party PCG grant)	Hugh Fraser Fnd.	£ 10k	Doris Field Fnd	£ 5k
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<p><u>Other information</u></p> <p>If you have other information which you feel is relevant to this application please provide details including details of any previous assistance given:</p>	<p>Previous assistance;</p> <p>2004/05 = £20,000</p> <p>2005/06 = £30,000</p> <p>2009/10 = £9,600</p> <p>2011/12 = £1,400</p> <p>2018/19 = £11,600</p> <p>I attach a copy of my letter of thanks acknowledging Trustees' support in helping us to secure grants from landfill fund distributors, Land Trust and WREN, and indicating that our fundraising appeal had rendered it unnecessary for us to take advantage of the offer of a supportive loan, if needed, to make up a temporary shortfall in match-funding resources.</p> <p>I would be happy to give further information at the scheduled meeting if that is judged appropriate.</p>
<p><u>Declaration</u></p> <p>I hereby make application for assistance as set out above and certify that the information I have provided is accurate</p> <p>Signed: Ian Jenkins</p> <p>Position Held: Chair</p> <p>Date: 16th May 2019</p>	
<p>Note: All applications from organisations MUST be accompanied by a copy of the latest audited accounts</p>	
<p>This completed form, accounts and any supporting details should be submitted to Louise McGeoch, Democratic Services Team Leader, Scottish Borders Council, Council Headquarters, Newtown St Boswells, TD6 0SA. Telephone 01835 825005</p>	

To Trustees of the Peebles Common Good Fund

Peebles Common Good Fund – Eastgate Theatre Thanks

Dear Trustees

I write to express my personal thanks and the gratitude of the Board of the Eastgate Theatre for the considerable and invaluable support which your committee afforded to the Theatre in helping us to put together a funding package which will enable us to go forward with plans for Phase One of our development project.

I very much appreciated your willingness to call a Special meeting to consider our requests for assistance and for members' forbearance when I pressed my case with perhaps a little more enthusiasm than might have seemed appropriate.

Thank you.

As I explained, your agreement to act as the Contributing Third Party in relation to our applications to the Landfill Trust and WREN has been crucial in allowing us to qualify for grants from the Scottish Communities Landfill Fund and acted as a lever to open up further funding opportunities.

Thank you for this also.

You will recall that the final part of our request was asking for a financial safety net to ensure that a potential grant of £150k from a major funder should not be lost if our local fundraising appeal did not achieve the required match-funding target by the strict deadline of 30th August.

At that time, as you will remember, we were still around £20k short of the target and, although we were sure that the funding gap would be narrowed, we could not be sure that it would be closed.

Your very helpful offer of a loan to cover any potential shortfall gave us great comfort and security and allowed us to demonstrate to the funder that the target would be met. We were, and are, very grateful for that support.

As it has turned out, however, to our delight and perhaps to our surprise, it has become clear that the level of donations and public support for our fundraising initiatives has been so positive that we can now be sure that the match-funding target will be reached by the deadline of 30th August and we will not need to have recourse to the loan from the Common Good Fund.

I think you will agree that this has been a remarkable response from the people of Peebles and Tweeddale, raising over £70k in a very few weeks since the appeal was launched towards the end of June, and demonstrating that the Eastgate has a very special and valued place in the social and cultural life of the community.

Nevertheless, the support of the Common Good Fund has been crucial in making the proposed development achievable and we will ensure that your role will be duly acknowledged when the project reaches completion.

Finally, I would be grateful if you would pass on to Louise McGeoch, Jenny Wilkinson and the other relevant officials my sincere thanks and appreciation for their help and consideration in this matter.

With renewed thanks and kindest regards,

Ian Jenkins

Vice Chair
Eastgate Theatre

Tel: 01721 720528
Email: a.i.jenkins@btopenworld.com

1 South Park Drive
Peebles
EH45 9DR

Charity Registration No. SC024713 (Scotland)

Company Registration No. SC163829 (Scotland)

EASTGATE THEATRE (PEEBLES) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

EASTGATE THEATRE (PEEBLES) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sir David Younger Ewan S Gowrie Kate A M Innes Ian Jenkins Laura McIntyre Robin Tatler Estella Abraham Graham Garvie	(Appointed 5 July 2018)
Secretary	Laura McIntyre	
Charity number (Scotland)	SC024713	
Company number	SC163829	
Principal address	Eastgate Theatre and Arts Centre Eastgate PEEBLES Peeblesshire EH45 8AD	
Registered office	Eastgate Theatre and Arts Centre Eastgate PEEBLES Peeblesshire EH45 8AD	
Auditor	Hogg & Thorburn Moat House 14 Gala Park GALASHIELS Scottish Borders TD1 1EX	

EASTGATE THEATRE (PEEBLES) LIMITED

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EASTGATE THEATRE (PEEBLES) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

The trustees present their report and accounts for the year ended 31 March 2018.

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 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The objectives can be summarised as the promotion and advancement of public education by encouragement of the arts, and the provision of facilities to meet the needs of special groups and the public at large. The board's strategy to achieve these objectives is to arrange a diverse programme of activities including community events, cinema and live shows on a variety of subject matters. The Theatre aspires to be the most vibrant and dynamic organisation of its type in the Scottish regions.

The use of volunteers in the day to day running of the Eastgate - including administrative tasks, assistance in the cafe, front of house and event support - has been invaluable and the board recognises the hard work put in by volunteers and is most grateful for the dedication of all those involved.

During the year to 31 March 2018, the number of hours of voluntary work was estimated at 5,000 hours (2017 - 5,000 hours), which equates to approximately £40,000 (2017 - £40,000) worth of donated services.

In addition, the Theatre is actively supported by the Friends of the Eastgate group which fundraises and helps to promote the venue.

EASTGATE THEATRE (PEEBLES) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Achievements and performance

The year to 31 March 2018 marked the twenty first anniversary of the company and the fourteenth year in which it has been fully operational as a theatre and arts centre.

The main activities are the provision of live events and film screenings, provision of many arts centre activities such as exhibitions, classes and workshops and outreach projects, as well as facilities and support for community activities. There is also a highly popular cafe for all the Eastgate patrons, as well as the general public.

During the year the Theatre increased its overall income from £496,910 to £580,092 an increase of £83,182. This was mainly due to additional grants received in the year of £60,267 of which £45,850 related to the Big Lottery for a specific project to apply for further funding for major alterations to the Theatre which has proved unsuccessful.

Income from admissions, hires, bar and café sales etc. increased by £22,910 from £359,242 to £382,152.

The costs have also increased by £73,261 from £507,773 to £581,034. The main increase was in professional fees of £42,464 which was the costs covered by the Big Lottery grant. There were also increases in Programming, bar and café cost of sales, wages for all employees, heat and light, licences, property repairs and bank charges.

It is the Trustees plans during this current year to obtain a property valuation on a going concern basis and carry out a plant and equipment impairment review which will reflect the current values of the fixed assets that the Theatre owns.

Overall the general fund shows a deficit of £942 for the year compared to a deficit of £10,863 in 2017. The deficit of £942 resulted from a shortfall of £45,210 in Unrestricted Funds being offset by a £44,268 credit in Restricted Funds.

Hopefully, going forward the Theatre can at least break even annually.

Financial review

The Theatre's objective is to have a stable reserve of 3 months expenses (i.e. funds not tied up in fixed assets) to meet expenses, however in these difficult financial times, this ideal has not currently been achieved.

Principal funding comes from fundraising activities of admission income, cafe trading along with core grant funding by LIVE Borders and grants from Creative Scotland, other public and charitable organisations. In the current climate, and in common with other charities, a guarantee of future core funding for more than a year in advance cannot be obtained in writing. Indeed LIVE Borders have indicated an ongoing reduction in funding over future years.

The company has the power to raise and receive monies in the furtherance of the objects, to invest monies in the furtherance of the objects and to invest monies not immediately required in such investments, securities or property as may be thought fit.

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The company, in common with many charities, faces challenges going forward and for the foreseeable future it will depend both on volunteers to fulfil many functions, coupled with fundraising and grants to bridge the gap between revenue and expenditure. Meanwhile, the board and employees are working very hard indeed to increase the attendances whilst containing expenditure at a viable level. Planning ahead is challenging in the current financial climate where the charity is dependent on core funding from LIVE Borders. In addition, the Theatre is expecting to undertake a capital project to make significant improvements to the auditorium, principally funded from external sources along with a programme of fundraising.

EASTGATE THEATRE (PEEBLES) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

The Charity is in the process of accumulating restricted funds from various sources (grants, donations, fundraising events etc.) towards expenditure of around £400,000 on the auditorium, and possibly between £50,000 and £400,000 for alterations on the ground floor. The majority of this expenditure will take place in the financial year 2019/2020, though preparatory costs will be incurred during 2018/19.

Structure, governance and management

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

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

Sir David Younger

Patrick W Fagan

(Resigned 1 September 2018)

Ewan S Gowrie

Kate A M Innes

Ian Jenkins

Laura McIntyre

Robin Tatler

Estella Abraham

Catherine Maxwell Stuart

(Resigned 5 July 2018)

Graham Garvie

(Appointed 5 July 2018)

Trustees, or directors, are appointed by the existing Board of Directors and recruited mainly within the local community. Directors are all volunteers and are drawn from different backgrounds to ensure the charity has the best mix of business, financial, marketing, technical and arts advice.

The directors act in accordance with OSCR guidelines and take advice on relevant issues from representatives of Scottish Borders Council and LIVE Borders. Other delegated decisions rest with the theatre manager Ms Caroline Adam and other staff where appropriate.

All directors have been made aware of their duties and responsibilities.

Scottish Borders Council is entitled to appoint up to two directors of the company who can serve as trustees on the Board.

This report was approved by the Board of Trustees.

.....
Sir David Younger

Chairman

Dated:

EASTGATE THEATRE (PEEBLES) LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2018

The trustees, who are also the directors of Eastgate Theatre (Peebles) Limited for the purpose of company law, are responsible for preparing the Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts 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, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. 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.

EASTGATE THEATRE (PEEBLES) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EASTGATE THEATRE (PEEBLES) LIMITED

Opinion

We have audited the accounts of Eastgate Theatre (Peebles) Limited (the 'charity') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of 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 accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, 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 Companies Act 2006, 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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.

The comparative figures are unaudited.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in 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 there is a material misstatement in the accounts or a material misstatement of the other information. 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.

EASTGATE THEATRE (PEEBLES) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EASTGATE THEATRE (PEEBLES) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the accounts is inconsistent in any material respect with the Trustees Report; or
- proper accounting records have not been kept; or
- the accounts are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 liquidate the company or 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 auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Wayness (Senior Statutory Auditor)
for and on behalf of Hogg & Thorburn

Chartered Accountants
Statutory Auditor

.....
Moat House
14 Gala Park
GALASHIELS
Scottish Borders
TD1 1EX

Hogg & Thorburn is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

EASTGATE THEATRE (PEEBLES) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<u>Income from:</u>					
Donations, gifts and grants	3	96,445	101,490	197,935	137,668
<u>Charitable activities</u>					
Activities for generating funds	4	382,152	-	382,152	359,242
Investments	5	5	-	5	-
Total income		<u>478,602</u>	<u>101,490</u>	<u>580,092</u>	<u>496,910</u>
<u>Expenditure on:</u>					
<u>Raising funds</u>					
Charitable activities	6	523,812	57,222	581,034	507,773
Net (expenditure)/income for the year/ Net movement in funds		<u>(45,210)</u>	<u>44,268</u>	<u>(942)</u>	<u>(10,863)</u>
Fund balances at 1 April 2017		<u>(268)</u>	<u>347,568</u>	<u>347,300</u>	<u>358,163</u>
Fund balances at 31 March 2018		<u><u>(45,478)</u></u>	<u><u>391,836</u></u>	<u><u>346,358</u></u>	<u><u>347,300</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

EASTGATE THEATRE (PEEBLES) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

	Notes	£	2018 £	£	2017 £
Fixed assets					
Property, plant and equipment	10		401,613		411,517
Current assets					
Inventories	12	2,432		2,877	
Trade and other receivables	13	13,309		10,473	
Cash at bank and in hand		22,594		25,270	
		<u>38,335</u>		<u>38,620</u>	
Current liabilities	15	(93,590)		(102,837)	
Net current liabilities			(55,255)		(64,217)
Total assets less current liabilities			<u>346,358</u>		<u>347,300</u>
Income funds					
Restricted funds			391,836		372,155
Unrestricted funds			(45,478)		(24,855)
			<u>346,358</u>		<u>347,300</u>

The trustees responsibilities for ensuring that the charity 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 sections 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 accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on

.....
Sir David Younger
Trustee

Company Registration No. SC163829

EASTGATE THEATRE (PEEBLES) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	£	2018 £	£	2017 £
Cash flows from operating activities					
Cash generated from operations	19		1,958		11,335
Investing activities					
Purchase of property, plant and equipment		(4,854)		(4,068)	
Interest received		5		-	
Net cash used in investing activities			(4,849)		(4,068)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(2,891)		7,267
Cash and cash equivalents at beginning of year			(2,387)		(9,654)
Cash and cash equivalents at end of year			(5,278)		(2,387)
Relating to:					
Bank balances and short term deposits			22,594		25,270
Bank overdrafts			(27,872)		(27,657)

EASTGATE THEATRE (PEEBLES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

Eastgate Theatre (Peebles) Limited is a private company limited by guarantee incorporated in Scotland. The registered office is Eastgate Theatre and Arts Centre, Eastgate, PEEBLES, Peeblesshire, EH45 8AD.

1.1 Accounting convention

The accounts 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) 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts 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

These accounts are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the trustees are aware that the company relies on core funding from LIVE Borders and other Government agencies. In these uncertain financial times it is difficult to obtain written commitments of funding beyond one year of the balance sheet date. At the specific time, the trustees assume it will continue and therefore the accounts are prepared on this basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

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.

Income from government and other grants, whether "capital" or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a performance or provision of other specified service is deferred until the criteria for income recognition are met.

Income tax recoverable in relation to donations received under Gift Aid or Deed of Covenant is recognised at the time of the donation.

EASTGATE THEATRE (PEEBLES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. The charity identify the costs which relate to its functions and then identify those which relate to the governance function. Having identified its governance costs, the remaining support costs together with governance are apportioned to the key charitable activities undertaken in the year.

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
Fixtures and fittings	20% straight line
Computers	25% straight line

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 net income/(expenditure) for the year.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.7 Inventories

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

EASTGATE THEATRE (PEEBLES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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.

3 Donations, gifts and grants

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Donations and gifts	5,093	21,300	26,393	8,327
Friends of the Eastgate Theatre	10,352	-	10,352	12,754
Grants receivable	81,000	80,190	161,190	116,587
	<u>96,445</u>	<u>101,490</u>	<u>197,935</u>	<u>137,668</u>
For the year ended 31 March 2017	<u>104,081</u>	<u>33,587</u>		<u>137,668</u>
Grants receivable for core activities				
Restricted grants	-	19,340	19,340	9,000
Creative Scotland	-	15,000	15,000	15,000
LIVE Borders grant	81,000	-	81,000	83,000
Big Lottery	-	45,850	45,850	-
Creative Scotland Programming	-	-	-	9,587
	<u>81,000</u>	<u>80,190</u>	<u>161,190</u>	<u>116,587</u>

During the year the Theatre obtained funding from The Big Lottery of £45,850. This was used to cover professional fees, design development and administration in order to develop a detailed costed project to expand and improve the Theatre. Expenditure to the end of March 2018 totalled £42,464, with the balance of funds carried over to cover consequential costs in the following financial year.

EASTGATE THEATRE (PEEBLES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

4 Charitable activities

	2018 £	2017 £
Admission fees and hires	243,405	232,179
Bar & Cafe sales	136,237	126,394
Other sales	2,510	669
	<u>382,152</u>	<u>359,242</u>

5 Investments

	2018 £	2017 £
Interest receivable	<u>5</u>	<u>-</u>

EASTGATE THEATRE (PEEBLES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

6 Charitable activities

	Direct costs	Charity costs	Total 2018	Total 2017
	£	£	£	£
Depreciation and impairment	-	14,758	14,758	15,505
Programme	174,784	-	174,784	167,543
Bar & cafe purchases	55,045	-	55,045	50,503
Publicity and marketing	26,547	-	26,547	26,032
Insurance, rates and water	-	10,137	10,137	9,747
Heat, light and cleaning	-	23,232	23,232	20,166
Telephone	-	3,244	3,244	2,824
Postage and stationery	-	1,150	1,150	1,673
Professional fees	-	42,464	42,464	850
Property costs	-	13,746	13,746	10,973
Licences and subscriptions	-	10,498	10,498	8,240
Bank charges and interest	-	7,075	7,075	6,490
IT costs	-	5,227	5,227	6,848
	<u>256,376</u>	<u>131,531</u>	<u>387,907</u>	<u>327,394</u>
Share of support costs (see note 7)	-	173,027	173,027	162,766
Share of governance costs (see note 7)	-	20,100	20,100	17,613
	<u>256,376</u>	<u>324,658</u>	<u>581,034</u>	<u>507,773</u>
Analysis by fund				
Unrestricted funds	256,376	267,436	523,812	
Restricted funds	-	57,222	57,222	
	<u>256,376</u>	<u>324,658</u>	<u>581,034</u>	
For the year ended 31 March 2017				
Unrestricted funds	244,078	248,190		492,268
Restricted funds	-	15,505		15,505
	<u>244,078</u>	<u>263,695</u>		<u>507,773</u>

EASTGATE THEATRE (PEEBLES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Staff costs	173,027	-	173,027	162,766	
Audit fees	-	2,500	2,500	-	Governance
Accountancy	-	2,600	2,600	2,613	Governance
Book-keeping costs	-	15,000	15,000	15,000	Governance
	<u>173,027</u>	<u>20,100</u>	<u>193,127</u>	<u>180,379</u>	
Analysed between Charitable activities	<u>173,027</u>	<u>20,100</u>	<u>193,127</u>	<u>180,379</u>	

8 Trustees

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

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 (2017 - Nil).

9 Employees

Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
	<u>8</u>	<u>8</u>
Employment costs	2018 £	2017 £
Wages and salaries	<u>173,027</u>	<u>162,766</u>

EASTGATE THEATRE (PEEBLES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

10 Property, plant and equipment

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 April 2017	543,718	245,211	60,793	849,722
Additions	-	618	4,236	4,854
At 31 March 2018	543,718	245,829	65,029	854,576
Depreciation and impairment				
At 1 April 2017	141,547	236,124	60,533	438,204
Depreciation charged in the year	10,870	3,126	763	14,759
At 31 March 2018	152,417	239,250	61,296	452,963
Carrying amount				
At 31 March 2018	391,301	6,579	3,733	401,613
At 31 March 2017	402,170	9,087	260	411,517

11 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	7,319	7,871
Carrying amount of financial liabilities		
Measured at amortised cost	92,976	98,158

12 Inventories

	2018 £	2017 £
Raw materials and consumables	2,432	2,877

13 Trade and other receivables

	2018 £	2017 £
Amounts falling due within one year:		
Trade receivables	7,319	7,871
Prepayments and accrued income	5,990	2,602
	13,309	10,473

EASTGATE THEATRE (PEEBLES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

14 Borrowings

	2018 £	2017 £
Bank overdrafts	27,872	27,657
Payable within one year	27,872	27,657

Bank overdraft secured by standard security over the assets of the charity.

15 Current liabilities

	Notes	2018 £	2017 £
Bank overdrafts	14	27,872	27,657
Other taxation and social security		614	4,679
Trade payables		5,650	12,793
Other payables		43,864	30,531
Accruals and deferred income		15,590	27,177
		93,590	102,837

16 Contingent Liabilities

A lien on the property and the assets was taken by the former Scottish Arts Council, now Creative Scotland, for the capital grant of £1.6m provided through the National Lottery as part of the original funding to convert the Theatre and Arts Centre. This standard security ends in March 2029. If the original grant conditions are breached, the grant is technically repayable. The building cannot be sold, transferred or mortgaged without the consent of the former SAC, now part of Creative Scotland.

17 Analysis of net assets between funds

	Unrestricted fund £	Restricted fund £	Total £
Fund balances at 31 March 2018 are represented by:			
Property, plant and equipment	-	401,613	401,613
Current assets/(liabilities)	(55,255)	-	(55,255)
	(55,255)	401,613	346,358

18 Related party transactions

There were no disclosable related party transactions during the year (2017- none).

EASTGATE THEATRE (PEEBLES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

19 Cash generated from operations	2018 £	2017 £
Deficit for the year	(942)	(10,863)
Adjustments for:		
Investment income recognised in statement of financial activities	(5)	-
Depreciation and impairment of property, plant and equipment	14,758	15,505
Movements in working capital:		
Decrease/(increase) in inventories	445	(641)
(Increase)/decrease in trade and other receivables	(2,836)	5,256
(Decrease)/increase in trade and other payables	(9,462)	2,078
Cash generated from operations	1,958	11,335
