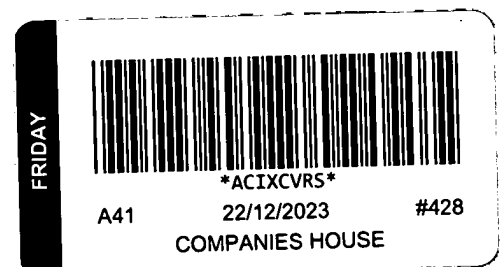


Company registered number: 05242988
Charity registered number: 1108613

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

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ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees	Abdullah Tercanli, Trustee Gabriel Gbadamosi, Trustee Lynne McKenzie, Trustee Jack Shepherd, Trustee (resigned 15 May 2022) Ben Todd, Trustee Andrew Cripps, Trustee (appointed 15 May 2022) Naz Yeni, Trustee (appointed 15 May 2022) Leyla Nazli, Secretary (resigned 15 May 2022)
Company registered number	05242988
Charity registered number	1108613
Registered office	24 Ashwin Street London E8 3DL
Company secretary	Leyla Nazli (resigned 15 May 2022)
Chair of Trustees	Ben Todd (resigned as Chair 15 May 2022) Andrew Cripps (appointed as Chair 15 May 2022)
Independent auditors	MHA Statutory Auditors 2 London Wall Place London EC2Y 5AU

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their Annual Report together with the audited financial statements of the Charity for the year 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Arcola Theatre Production Company is also known as Arcola Theatre.

Public performances restarted in Studio 1 in May 2022, and Studio 2 re-opened in February 2023. The audiences numbers steadily increased and the programming of the theatre stabilised despite post-Covid and high cost of living effects.

Objectives and activities

a. Policies and objectives

Charitable objectives

The objectives for which the Charity is formed are to promote, maintain, improve and advance the education and appreciation of the public in the Arts and Sciences. In pursuing these objects, the Trustees have considered the Charity Commission's guidance on public benefit, including that related to fee charging.

Vision

Arcola Theatre's vision is of a genuinely radical theatre constantly reinventing itself to respond to, interpret and have relevance to an ever changing contemporary Britain.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Mission

Arcola Theatre's mission is to imagine and build a theatre that flourishes within a cultural and scientific centre for its diverse local community. One that builds new audiences, generates its own powerful productions, and creates a home for the very best of UK and international theatre companies to visit; whilst simultaneously developing, demonstrating and deploying technologies for a sustainable future.

c. Activities undertaken to achieve objectives

In putting the above mission into action we have three major areas of activity (discussed in more detail below), which are professional theatre, talent development, promotion of environmental sustainability and venue operations.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

d. Main activities undertaken to further the Charity's purposes for the public benefit

The main activities undertaken can be described in more detail as follows:

Off West End Professional Theatre

This activity includes the producing and receiving of theatre shows in our 200 and 100 seat studios, plus selected off-site locations, with a strong focus on socially and politically relevant works and diversity of voices.

Talent Development

This is an extensive programme that includes working with specific groups such as young people, older people, Turkish speaking, BAME and LGBTQ communities, as well as the development of specific skills areas such as new writing, facilitator training and general skills development.

Environmental Sustainability

We continue to make environmental considerations central to our venue operations, and to disseminate our learning.

Venue Operation

Comprising the wide range of work required to provide a cultural and social space for the local community as well as rehearsal and performance spaces for a wide variety of professional and community uses.

Achievements and performance

a. Key performance indicators

Planned turnover for 2022/23 was £1,256k with an unrestricted surplus of £97k.

Income for the year was £1,002,479 (2022 - £987,851). This included £524,884 from charitable activities (2022 - £183,263) and £75,810 of donations (2022 - £80,645). Earned income was 46% (2022 - 21%).

Arts Council England regular (NPO) funding provided £307,290 (2022 - £314,790) (31% of income, 2022 - 31%).

Expenditure for the year was £1,254,981 (2022 - £1,320,542) including £130,348 (2022 - £121,853) of depreciation funded by allocation to the capital fund. Direct spending on professional theatre amounted to £829,799 (2022 - £680,162), with a further £363,781 (2022 - £265,615) spent on support costs. Direct spending on Talent Development amounted to £32,002 (2022 - £17,204) with a further £8,897 (2022 - £13,872) spent on support costs. Support costs on Venue Operation amounted to £20,502 (2022 - £148,828).

The year-end unrestricted funds of £149,804 (2022 - £245,101) include fixed assets of £144,796, leaving £5,010 as free reserves. This represents 2% of the target level of £250k.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

b. Review of activities

For the past 23 years Arcola Theatre has been widely lauded for its ambition and quality; striving always for the highest artistic quality in a programme which is relevant to its diverse local community, as well as being a notable contribution to the wider UK (and international) arts ecosystem.

In light of COVID19, we have reframed our ambition to focus on creating an organisation which is able to deliver a compelling programme in a manner which is resilient in the face of great uncertainty and likely financial austerity.

Reopening Arcola Main Building

While Arcola Outside continued use for participation and new work in the summer, we were able to re-open our main theatre following the two-year closure due to Covid-19.

The first in-house show produced was ***We Started To Sing***, a new play by Barney Norris staged in May 2022.

***** "outstanding...beautiful...a perfect reopening for Arcola Theatre" – *WestEndBestFriend*

**** "filled with meaning" – *ReviewsHub*

"a tender family drama" – *The Times*

"full of tenderness...visually arresting...atmospheric" – *The Guardian*

The second in-house production was ***The Dance Of Death*** by August Strindberg, adapted by Rebecca Lenkiewicz and directed by our artistic director Mehmet Ergen; it was co-produced with and toured to Theatre Royal Bath, Royal and Derngate Northampton, Oxford Playhouse and Cambridge Theatre.

**** "This is an unusually satisfying and accessible take on a great but far from straightforward play, and a feast of fine acting. By the end of it, one has no idea whether Alice and Edgar would be better off together or apart, but then again neither do they. Nihilism has never felt so cosy, and the state of matrimony seldom so deadly." – *WhatsOnStage*

**** - goodreads

The third in-house production ***Poltergeist***, a new play by Philip Ridley received acclaimed reviews.

**** "An energetic, tour-de-force performance" – *WhatsOnStage*

**** "Exhilarating" – *The i*

**** "Excellent...a powerhouse performance" – *Everything Theatre*

**** "A mesmerisingly balletic production" – *Broadway World*

**** "Darkly funny. The *Poltergeist* really is a must-see." – *Reviews Hub*

The fourth in-house production, ***Siegfried & Götterdämmerung***, staged at Hackney Empire (see below)

***** – *The Stage*

***** – *British theatre*

***** – *Planethughill*

We also presented Ireland based "b*spoke theatre company's ***Dinner With Groucho***, a new play by Frank

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

McGuinness.

***** "A glorious example of theatre of the absurd the performances of Greg Hicks as Eliot, Ian Bartholomew as Groucho and Ingrid Craigie as the Proprietor are outstanding" – *ReviewsGate*

**** "Sharp, funny, smart and delicious." – *Irish Times*

**** "This sparkling play is everything we expect from a night at the theatre with McGuinness. A mix of vaudeville, song and dance, blistering humour and coruscating dialogue, all adroitly balanced by director Loveday Ingram" – *The Stage*

Grimeborn 2022

Arcola Theatre has always championed adventurous artists, and this has never been clearer than in our Grimeborn programme this year. Music has the power to connect us, and it has always been our belief that opera should be accessible to all. Our commitment to affordable ticket prices means that everyone can enjoy.

This year we programmed 14 operas, of which 4 were new works and 11 had female directors. We started producing The Ring Cycle in 2019, with Das Rheingold at Arcola Theatre, Die Walküre at Hackney empire in 2021. The last two operas, Siegfried & Götterdämmerung, both in-house productions, were staged at Hackney Empire due to its scale in 2022 and the cycle is completed.

We received acclaimed reviews for the festival and huge interest from audience and participants, therefore we increased our festival from 8 weeks to 10 weeks for 2023.

Renovation of Arcola Main Building

The fund raising for the renovation of the main building continues. We have plans to replace all our conventional theatre lights with LED lights and upgrade our heating system to make the theatre more green and sustainable. The plans are in place waiting for successful fundraising.

Arcola Participation

In 2022/23 Arcola Participation have delivered many more activities this year and reached more of our community. During the year, we delivered 4 youth theatres for ages 8-16 years, providing youth theatre opportunities to over 80 young people. The Arcola 50+ company has been successfully running with our older community. In 2023 we were successful in a grant of £14,356 from London Borough Hackney to run a schools project with Arcola Academy. This project provided theatre training to 20 young people aged 18-25 years and saw us delivering workshops and performances to six schools across Hackney. London Borough Hackney also funded our summer holiday workshops, providing 20 places for young people to learn about theatre, and also our Queer Collective. Through our workshops we have engaged with over 250 people providing theatre skills and training. The Mental Health Company have had successful workshops and performances. Our performances by our community companies have entertained and been supported by 450 people. This has been a productive year and sets the department in a strong position for 2024.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Financial review

a. Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment.

Arts Council of England investment and future activity

In November 2022 the charity received the news that the theatre would remain as a National Portfolio Organisation (NPO) and receive regular Arts Council of England (ACE) financial support for the next three successive years, at the same investment level as previous years.

Plans for the year ahead include:

The presentation of a world class, international programme of diverse and socially engaged theatre presenting a mix of in-house shows and visiting companies in Studio 1, alongside a season of new work & emerging companies in Studio 2, and more resident companies based in our building making art more diverse and accessible.

The return of the successful opera festival Grimeborn to take place for eleven weeks over the summer months.

Continuing our programme of Associate Companies to support migrant-led companies reach their full potential. Offering rehearsal space, mentoring and networking; enhanced skills in professional theatre making, participation & outreach and funding & finance.

Community companies - currently Mental Health Company, Turkish Speaking company, Arcola 50+ with a new refugee company introduced in 2023 (in partnership with refugee specialists). Companies will stage their work at Arcola Outside and on tour.

Popular Arcola Youth Theatre will run current 3 youth theatre groups plus add two extras - Young AYT (ages 9-12) & Younger AYT (ages 7-11). Sessions run weekly during term time. Each group will devise and perform in Studio 2 twice a year.

Arcola Academy - professional level training for 16-25 year olds - prioritise NEET applicants - incl. training in lighting, set, stage design, SM, acting, directing & writing - will devise and perform 2 touring plays for local schools

Based on these assessments and having regard to the resources available to the Charity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the Annual Report and financial statements.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

b. Reserves policy

The Trustees believe the most appropriate level of free reserves required by the Charity to sustain it in the event of the Charity not receiving grants and other incoming resources is £250,000. This will not allow standard-scale productions to be staged and would require skeleton (cost-neutral) programming.

The year-end unrestricted funds of £149,804 (2022 - £245,101) include fixed assets of £144,796, leaving £5,010 as free reserves. This represents 2% of the target level of £250k.

Whilst reserves have been severely depleted due mostly to slower than anticipated rebuilding of audiences, the theatre has been successfully reopened, and at the time of writing in December 2023, reserves have been recovered to around £100k..

c. Material investments policy

The Charity has no financial investments. Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish.

d. Principal funding

Arcola Theatre is a National Portfolio Organisation of Arts Council England, providing circa 30% of income.

There are no other significant funders, with the majority of the balance of funds being earned from charitable activities.

e. Pricing policy

Tickets are priced to maximise revenues without losing access for all. This was achieved through competitive pricing, with a wide range of discounts for target and under-represented groups. Charges are applied for Participation programme participants with bursaries for those less able to pay.

f. Fundraising

The Trustees have considered the implications of the Charities (protection and social investment) Act 2016 in relation to fundraising activities. The Act aims to protect the public, particularly the vulnerable, from inappropriate fundraising approaches. The primary scope of the Act is "commercial participators" and "professional fundraisers", which refers to commercial organisations engaged by larger charities to engage in direct fundraising from individuals via for example mail, phone and face to face. Since Arcola Theatre does not engage any of these types of organisation there is no direct impact. We have however reviewed our in-house activities in the spirit of the Act and concluded that there are no issues which we need to address.

Structure, governance and management

a. Constitution

Arcola Theatre Production Company Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

c. Organisational structure and decision-making policies

The Board of Trustees administers the Charity. Board normally meets quarterly, addressing all aspects of the charitable operations including programming, development, quality & safety, finance and audit.

The Executive Producer, was delegated authority, within terms of delegation provided by the Trustees, for operational matters including finance, employment and artistic performance related activity.

Charitable activities are structured into departments, each having a Manager, working to a Business Plan which includes detailed plans for all business activities. These plans cascade organisational objectives and Key Performance Indicators through departments to individual staff job descriptions.

Plans are developed with input from all staff, Trustees, artists, participants, volunteers and advisors. Plans and associated budgets are reviewed and approved by the Board of Trustees through regular meetings. Additional advice and oversight is provided via Arts Council England National Portfolio management systems.

d. Policies adopted for the induction and training of Trustees

Upon declaration of their interest to be a Trustee, a new Trustee receives the Charity's governing documents, most recent Financial Report and Management Accounts. They meet with the Chair and Senior Management Team for briefing on the organisation and the responsibilities of Trustees.

New Trustees are provided with the Charity's governing documents, minutes of previous meetings and current business plans. They meet the Chair and senior managers for briefing on the objectives, values, ethos, programme and day-to-day activities of the organisation. New Trustees and existing Trustees are provided with up-to-date information on the responsibilities of Trustees and associated best practice, drawing resources provided by Charity Commission and other professional organisations supporting charities.

Trustees receive training on an ongoing basis where it is deemed necessary.

e. Pay policy for key management personnel

Senior staff pay is approved by Trustees. Rates of pay are benchmarked against peer organisations.

f. Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

The residual impact of COVID-19 and other global events in 2022/23 resulted in a protracted and volatile recovery of audience attendance in 2022 and early 2023. However we have seen improvements later in 2023. In light of financial pressures, we continued operating with a reduced staff team and carefully managed artistic programme according to a carefully targeted budget. Going forwards we will continue operating with a reduced staff team and modestly rebuild as circumstances permit. This will enable us move towards a more ambitious artistic approach, as financial reserves are rebuilt. This will involve transitioning from the current risk-averse model based on mainly box-office split and four in-house productions, to increased numbers of co-productions and in-house productions. The purpose of this transition is both to enhance capacity to develop artists & companies, as well as increasing artistic quality and excellence.

Securing Arts Council NPO funding for the period 2023-26 has enabled us to successfully deliver a plan of work agreed with and supported by Arts Council. This gives us encouragement to make Arcola financially robust and artistically prominent venue for future.

Small company exemptions

The Trustees Report has been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

Auditors

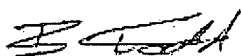
Following a rebranding exercise on 15 May 2023 the trading name of the company's independent auditor changed from MHA MacIntyre Hudson to MHA. A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the Board of Trustees and signed on their behalf by:



.....
Ben Todd
Trustee
Date: 22 December 2023

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2023

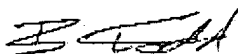
The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare Financial Statements for each financial . Under company law, the Trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the Financial Statements 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 are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with 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.

Approved by order of the members of the Board of Trustees and signed on its behalf by:



.....
Ben Todd
Trustee

Date: 22 December 2023

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARCOLA THEATRE PRODUCTION COMPANY

Opinion

We have audited the financial statements of Arcola Theatre Production Company (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARCOLA THEATRE PRODUCTION COMPANY (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARCOLA THEATRE PRODUCTION COMPANY (CONTINUED)

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Review of actual and potential litigation claims;
- Enquiries of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

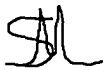
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARCOLA THEATRE PRODUCTION COMPANY (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart McKay BSc FCA DCha (Senior Statutory Auditor)
for and on behalf of
MHA
Statutory Auditors
London, United Kingdom

Date: 22/12/2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and grants	4	352,576	93,153	445,729	753,713
Charitable activities	5	524,884	-	524,884	183,263
Other trading activities	6	31,866	-	31,866	50,875
Total income		909,326	93,153	1,002,479	987,851
Expenditure on:					
Charitable activities	7	1,004,623	250,358	1,254,981	1,320,542
Total expenditure		1,004,623	250,358	1,254,981	1,320,542
Net movement in funds		(95,297)	(157,205)	(252,502)	(332,691)
Reconciliation of funds:					
Total funds brought forward		245,101	1,966,519	2,211,620	2,544,311
Net movement in funds		(95,297)	(157,205)	(252,502)	(332,691)
Total funds carried forward		149,804	1,809,314	1,959,118	2,211,620

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 19 to 35 form part of these financial statements.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05242988

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	12		1,902,229		1,982,148
			<u>1,902,229</u>		<u>1,982,148</u>
Current assets					
Debtors: Amounts falling due within one year	13	174,384		299,268	
Cash at bank and in hand	19	95,160		84,115	
		<u>269,544</u>		<u>383,383</u>	
Creditors: Amounts falling due within one year	14	(188,696)		(121,524)	
Net current assets			<u>80,848</u>		<u>261,859</u>
Total assets less current liabilities			<u>1,983,077</u>		<u>2,244,007</u>
Creditors: Amounts falling due after more than one year	15		(23,959)		(32,387)
Total net assets			<u><u>1,959,118</u></u>		<u><u>2,211,620</u></u>
Charity funds					
Restricted funds:					
Restricted funds	16	1,809,314		1,966,519	
Total restricted funds	16		<u>1,809,314</u>		<u>1,966,519</u>
Unrestricted funds					
General funds	16	149,804		245,101	
Total unrestricted funds	16		<u>149,804</u>		<u>245,101</u>
Total funds			<u><u>1,959,118</u></u>		<u><u>2,211,620</u></u>

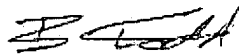
ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05242988

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Ben Todd
Trustee
Date: 22 December 2023

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	18	84,880	(195,518)
Cash flows from investing activities			
Purchase of tangible fixed assets	12	(64,128)	(7,954)
Net cash used in investing activities		(64,128)	(7,954)
Cash flows from financing activities			
Repayments of borrowing	14,15	(9,707)	(7,906)
Net cash used in financing activities		(9,707)	(7,906)
Change in cash and cash equivalents in the year		11,045	(211,378)
Cash and cash equivalents at the beginning of the year	19	84,115	295,493
Cash and cash equivalents at the end of the year	19	95,160	84,115

The notes on pages 19 to 35 form part of these financial statements

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Arcola Theatre Production Company is a Charitable Company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 1108613) and Registrar of Companies (Company Registered Number 05242988) incorporated in England and Wales.

The address of the registered office is given in the Charity information on page 1 of these accounts. The Members of the Charity are the Trustees named on page 1.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per Member of the Charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) and the Companies Act 2006.

Arcola Theatre Production Company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in Sterling which is the functional currency of the Charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- 4% to 20% on cost
Plant and machinery	- 20% to 50% on cost
Computer equipment	- 20% on cost

2.5 Debtors

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

2.6 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.

2.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.8 Financial instruments

The Charity holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors - trade and other debtors (including accrued income) are basic financial instruments and a debt instruments measured at amortised cost as detailed in Note 13. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at cost.

Liabilities - trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in Notes 14 and 15. Taxation and social security are included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

2.9 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.10 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 costs 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.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

4. Income from donations and grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	45,286	30,524	75,810
Grants	307,290	62,629	369,919
Total 2023	352,576	93,153	445,729
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	42,597	38,048	80,645
Grants	314,790	358,278	673,068
Total 2022	357,387	396,326	753,713

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Professional Theatre	415,927	415,927
Talent Development	13,830	13,830
Theatre Tax Credits	95,127	95,127
Total 2023	524,884	524,884

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Income from charitable activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Professional Theatre	137,459	137,459
Talent Development	17,520	17,520
Environmental Sustainability	1,807	1,807
Theatre Tax Credits	26,477	26,477
<i>Total 2022</i>	<u>183,263</u>	<u>183,263</u>

6. Income from other trading activities

Income from non charitable trading activities

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Venue Operation	<u>31,866</u>	<u>31,866</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Venue Operation	<u>50,875</u>	<u>50,875</u>

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Professional Theatre	977,311	216,269	1,193,580
Talent Development	17,498	23,401	40,899
Venue Operation	9,814	10,688	20,502
Total 2023	1,004,623	250,358	1,254,981

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Professional Theatre	518,497	427,280	945,777
Talent Development	19,246	11,830	31,076
Venue Operation	276,672	67,017	343,689
<i>Total 2022</i>	<i>814,415</i>	<i>506,127</i>	<i>1,320,542</i>

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Professional Theatre	829,799	363,781	1,193,580
Talent Development	32,002	8,897	40,899
Venue Operation	-	20,502	20,502
Total 2023	861,801	393,180	1,254,981

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Professional Theatre	680,162	265,615	945,777
Talent Development	17,204	13,872	31,076
Venue Operation	194,861	148,828	343,689
Total 2022	892,227	428,315	1,320,542

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Depreciation	144,046	133,800
Front of House	36,095	29,687
Comms and marketing	49,995	19,451
Technical services	2,087	9,647
Governance costs	8,000	8,000
Utilities	22,497	13,916
Insurance	6,396	6,080
Telecomms	1,170	3,088
Professional fees	30,939	14,778
Bank interest	942	968
Memberships	4,213	3,960
Office and admin	23,316	23,087
Travel and subsistence	-	368
Premises costs	63,484	33,653
Building costs	-	127,832
	<u>393,180</u>	<u>428,315</u>

9. Governance costs - Auditors' remuneration

	2023 £	<i>2022 £</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>8,000</u>	<u>8,000</u>

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Staff costs

	2023	2022
	£	£
Wages and salaries	370,574	453,635
Social security costs	27,084	29,220
Pension costs	11,904	13,556
	409,562	496,411

The average number of persons employed by the Charity during the year was as follows:

	2023	2022
	No.	No.
Full time staff	8	10
Equivalent full time staff from casual worker pool	3	5
	11	15

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
	No.	No.
In the band £60,001 - £70,000	1	-

The total amount of employee benefits, including employers social security and employers pension contribution costs, received by Key Management Personnel, was £118,062 (2022: 76,732). The Charity considers its Key Management Personnel to be the Trustees, the Chief Executive Officer and the Executive Producer.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

12. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	3,288,672	11,266	3,096	3,303,034
Additions	15,898	48,230	-	64,128
At 31 March 2023	<u>3,304,570</u>	<u>59,496</u>	<u>3,096</u>	<u>3,367,162</u>
Depreciation				
At 1 April 2022	1,314,981	4,601	1,304	1,320,886
Charge for the year	132,514	10,913	620	144,047
At 31 March 2023	<u>1,447,495</u>	<u>15,514</u>	<u>1,924</u>	<u>1,464,933</u>
Net book value				
At 31 March 2023	<u>1,857,075</u>	<u>43,982</u>	<u>1,172</u>	<u>1,902,229</u>
At 31 March 2022	<u>1,973,691</u>	<u>6,665</u>	<u>1,792</u>	<u>1,982,148</u>

The leasehold improvements are secured against a charge in favour of The Arts Council of England.

13. Debtors

	2023 £	2022 £
Trade debtors	14,300	15,842
Other debtors	137,906	263,926
Prepayments and accrued income	22,178	19,500
	<u>174,384</u>	<u>299,268</u>

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	8,428	9,707
Trade creditors	6,851	23,082
Other taxation and social security	6,694	5,467
Other creditors	85,121	40,023
Accruals and deferred income	81,602	43,245
	<u>188,696</u>	<u>121,524</u>
	2023 £	2022 £
Deferred income at 1 April 2022	13,442	-
Resources deferred during the year	62,059	25,442
Amounts released from previous periods	(13,442)	(12,000)
	<u>62,059</u>	<u>13,442</u>

Deferred income comprises grants where the resources were not applied to charitable purposes until subsequent to the year-end and studio hire paid in advance. Movements in deferred income have been analysed above.

The above bank loan relates to an unsecured Bounce Back Scheme facility for £50,000 with interest chargeable at the rate of 2.5% per annum. The loan is repayable in equal instalments over five years, with repayments comprising both capital and interest.

15. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	23,959	32,387

The above bank loan relates to an unsecured Bounce Back Scheme facility for £50,000 with interest chargeable at the rate of 2.5% per annum. The loan is repayable in equal instalments over five years, with repayments comprising both capital and interest.

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
General Fund	245,101	909,326	(1,004,623)	-	149,804
Restricted funds					
Capital fund	1,831,432	-	(130,348)	56,349	1,757,433
Participation	8,439	15,897	(19,345)	-	4,991
Artistic Programming	32,995	76,427	(95,127)	-	14,295
Joseph Rowntree Charitable Trust	22,563	829	(5,538)	-	17,854
Green Arcola	14,741	-	-	-	14,741
Facilities	56,349	-	-	(56,349)	-
	1,966,519	93,153	(250,358)	-	1,809,314
Total of funds	2,211,620	1,002,479	(1,254,981)	-	1,959,118

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds					
Designated funds					
Arcola Theatre Ltd	123,594	-	(123,594)	-	-
General funds					
General Fund	344,397	591,525	(690,821)	-	245,101
Total Unrestricted funds	<u>467,991</u>	<u>591,525</u>	<u>(814,415)</u>	<u>-</u>	<u>245,101</u>
Restricted funds					
Capital fund	1,949,648	-	(121,853)	3,637	1,831,432
Participation	5,042	6,220	(2,823)	-	8,439
Artistic Programming	15,545	86,083	(68,633)	-	32,995
Joseph Rowntree Charitable Trust	1,590	40,585	(19,612)	-	22,563
Green Arcola	12,741	2,000	-	-	14,741
Covid-19 Funds	-	250,328	(250,328)	-	-
Facilities	91,754	11,110	(42,878)	(3,637)	56,349
	<u>2,076,320</u>	<u>396,326</u>	<u>(506,127)</u>	<u>-</u>	<u>1,966,519</u>
Total of funds	<u><u>2,544,311</u></u>	<u><u>987,851</u></u>	<u><u>(1,320,542)</u></u>	<u><u>-</u></u>	<u><u>2,211,620</u></u>

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Statement of funds (continued)

The Capital fund relates to restricted funding used for capital expenditure. The balance represents the value of restricted tangible fixed assets.

The Participation fund represents restricted funding received for community engagement activities, with the balance to be spent in the future.

The Artistic Programming fund represents restricted funding received for theatrical activities, with the balance to be spent in the future.

The Joseph Rowntee Charitable Trust represents a restricted grant awarded to develop a new musical, "The Shadow World", with the balance to be spent in the future.

The Green Arcola fund represents restricted funding for a local environmental project that is no longer active, and negotiations are ongoing with the funder regarding future use of the balance.

The Facilities fund relates to restricted funding intended for capital expenditure, which when utilised is transferred to the Capital fund.

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	144,796	1,757,433	1,902,229
Current assets	167,663	101,881	269,544
Creditors due within one year	(138,696)	(50,000)	(188,696)
Creditors due in more than one year	(23,959)	-	(23,959)
Total	149,804	1,809,314	1,959,118

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	150,714	1,831,434	1,982,148
Current assets	237,938	145,445	383,383
Creditors due within one year	(111,164)	(10,360)	(121,524)
Creditors due in more than one year	(32,387)	-	(32,387)
Total	245,101	1,966,519	2,211,620

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(252,502)	(332,691)
Adjustments for:		
Depreciation charges	12 144,046	133,800
Decrease in debtors	13 124,884	107,698
Increase/(decrease) in creditors	14,15 68,452	(104,325)
Net cash provided by/(used in) operating activities	84,880	(195,518)

19. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	95,160	84,115
Total cash and cash equivalents	95,160	84,115

ARCOLA THEATRE PRODUCTION COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

20. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	84,115	11,045	95,160
Debt due within 1 year	(9,707)	1,279	(8,428)
Debt due after 1 year	(32,387)	8,428	(23,959)
	<u>42,021</u>	<u>20,752</u>	<u>62,773</u>

21. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge for the year was £11,904 (2022 - £13,556) and at the year end £1,451 (2022 - £1,470) was payable to the fund and have been included in Creditors falling due within one year - Other creditors.

22. Related party transactions

There were no related party transactions during the year.