

# **In Good Company Limited**

**(A company limited by guarantee)**

Trustees' report and financial statements

Registered number 02869932

Registered Charity Number 1029452

Year ended 31 July 2022

## **Contents**

Company information	3
Report of the trustees for the year ended 31 July 2022	4-6
Independent Auditor's report	7-9
Statement of financial activities (incorporating income and expenditure)	10
Balance sheet	11
Notes to the financial statements	12-19

## **Company information**

### **Director and Trustee**

S J Ambler – appointed 31 March 2022  
S P Brigham – appointed 31 March 2022  
R Glaskin – appointed 28 April 2022  
P J Green – appointed 31 March 2022  
K M Mitchell – resigned 25 April 2022

### **Secretary**

J Fussell – appointed 24 March 2022  
S J Ambler – resigned 24 March 2022

### **Auditor**

BDO LLP  
Two Snowhill,  
Birmingham  
B4 6GA

### **Bankers**

HSBC Bank plc  
1 St. Peter's Street,  
Derby  
DE1 2AE

### **Solicitors**

Veale Wasbrough Vizards LLP  
Narrow Quay House,  
Narrow Quay,  
Bristol  
BS41 4QA

Shakespeare Martineau LLP  
No. 1 Colmore Square,  
Birmingham  
B4 6AA

### **Registered office**

Kedleston Road,  
Derby  
DE22 1GB

## **Report of the trustees for the year ended 31 July 2022**

The trustees, who are also directors, present their annual directors' report, together with the financial statements of the charity for the year ended 31 July 2022 which are also prepared to meet the requirements for a director's report and account for Companies Act purposes.

The financial statements have been prepared in accordance with 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).

The results for the year are set out on page 10.

### **Structure and Management**

In Good Company Limited (IGC) is a company limited by guarantee (registration number 02869932) and does not have share capital. On 31 July 2022, there were four members of the charitable company who had undertaken to contribute an amount not exceeding £1 in the event of a winding up. It is also a registered charity (charity number 1029452). The company's principal address is at 15, Theatre Walk, Derby.

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are referred to as the trustees.

The charitable company has a close relationship with the University of Derby Theatre Limited. The relationship realises that the operations of the two organisations are closely inter-related and therefore the impact of decisions taken in one organisation must be assessed on the other entity. The charitable company is controlled by the University of Derby and, as such, is consolidated into the annual results of the University of Derby Group.

### **Objectives and Activities**

The charitable company's principal activity is creative and business development for theatre makers and companies in the Midlands.

### **Financial Review**

IGC is continuing to recover from the Covid-19 pandemic and has successfully turned challenges into opportunities. The charitable company has maintained its commitment to supporting East Midlands based artists, expending £150,601 towards this aim in 2022 (2021: £99,218). IGC was awarded funding of £93,000 from the Arts Council to support the operational costs of the charitable company for three years which in accordance with Accounting Standards was recognised on receipt of the award. This accounts for the surplus of £45,590 recorded in 2021 and the deficit of £35,335 in the current year and expected deficit next year as the funding is fully utilised.

A key focus over 22-23 had been applying to become part of the Arts Council England's National Portfolio Organisation programme. Successful funding would have provided core funding for a three-year period, ensuring we continued to thrive. As part of the process, we created an exciting plan, which focussed on continuing to support independent artists and smaller companies based in the East Midlands. Unfortunately, this bid was ultimately unsuccessful and the focus is now on securing alternative longer term funding, to which end we have successfully secured partnership funding from key organisations across the region.

#### *Going Concern*

After making appropriate enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies (Note 1).

#### *Fundraising Policy*

Section 162a of the Charities Act 2011 requires the trustees to make a statement regarding fundraising activities because IGC is subject to an external audit. We do not undertake any fundraising activities.

## **Report of the trustees for the year ended 31 July 2022 (continued)**

### *Reserves Policy*

In accordance with Charity Commission guidelines, the charitable company is required to ensure the sustainability of the organisation and maintain operating reserves to offset the impact of unforeseen events and operating cash flows. The total funds of the charitable company are £78,742 (2001: £114,077) and are discussed below.

The trustees believe that an appropriate level of unrestricted general reserves would be approximately three months of overhead expenditure. Currently the charitable company has unrestricted general reserves position of £78,742, which is well in excess of that desired position. The charitable company has no restricted or other reserves.

### **Principal Risks and Uncertainties**

The principal risk faced by IGC is securing future grant funding, without which activities will need to be substantially scaled back. To mitigate this risk, we have already applied to several funders, including ACE, for new funding or alternative funding.

### **Achievements and Performance**

#### **Activities**

- Launched the Mid-Career Commission call out and offered commissions to two artists. 87 applicants applied, of which 31 identified as being from global majority backgrounds, and or having a disability.
- Supported China Plate's Bite Size Festival of new work.
- Subsidised/Supported Alter Skin's production of Fatherhood. This will be developed and tour to eight IGC partner venues in 2022-23.
- Worked with The Core at Corby Cube to support four artists to present work in progress work to seek audience feedback.
- Supported four artists through bursaries by contributing to their career development.
- Held 62 1:1 events with artists to provide bespoke mentoring.
- Organised ten Creative and Business development workshops.
- The Big House Producers scheme have provided dedicated 12 hours of mentoring and consultancy to 12 artists.

This year the company delivered its 10<sup>th</sup> annual Departure Lounge Festival. This hugely successful in person event saw many industry professionals, artists and national critics (Lyn Gardner) attend a range of workshops, panel discussions and performances (71 artists were supported and performed at the Festival). More Midlands based artists were supported and programmed, upholding IGC's mission to ensure a thriving independent sector here in the Midlands.

The Departure Lounge Festival continues to champion progression with artists and smaller companies. The Big House Producers scheme has supported artists, including Omar Khan, who presented work in progress at the Festival (Omar has also successfully secured an Regional Young Training Development Scheme (RYTDS) directorship, and is now Associate Director at Derby Theatre); and Simon Marshall, who was previously awarded an IGC bursary, has further been supported to produce full length shows at this Festival. It also supports work which is representative of the current world.

Recognising the urgency of the climate crisis, Departure Lounge programmed The Endling (created by Strange Futures), a theatre piece that discusses the environmental crisis and species extinction, and engaged Pigfoot Theatre to deliver workshops on making environmentally sustainable theatre. It also programmed queer-led work including Bonfire, Utopian, and Cocoa Butter Club.

### **Future Plans**

While not gaining NPO status in the latest round of programme funding, IGC is actively seeking funding to secure its future so it can continue its work, discovering what artists actually want rather than assumptions about what they need, and offering commissions, mentoring and performance opportunities.

## **Report of the trustees for the year ended 31 July 2022 (continued)**

### *Public Benefit Statement*

The trustees confirm that they have referred to the Charity commission's guidance on public benefit when reviewing IGC's aims and objectives and in planning future activities.

### **Trustees' Responsibilities Statement**

The Trustees are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Disclosure of information to auditor**

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and have taken all the steps that ought to have been taken as trustees to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Appointment of Auditor**

On 9 February 2022, KPMG LLP resigned as the company's auditor. BDO LLP were appointed to fill the resulting vacancy. BDO LLP have expressed their willingness to continue in office as auditor and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### **Board Approval**

Approved by the board of trustees on 25 April 2023 and signed on their behalf by



**S J Ambler**  
Trustee

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IN GOOD COMPANY LIMITED**

### **Opinion on the financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 July 2022 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.

We have audited the financial statements of In Good Company Limited ("the Charitable Company") for the year ended 31 July 2022 which comprise the statement of financial activities (incorporating income and expenditure), the balance sheet and notes to the financial statements, 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).

### **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 financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We remain independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions related 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.

### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report and financial statements, other than the financial statements and our auditor's report thereon. 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.

### **Other Companies Act 2006 reporting**

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Trustees' report.

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

- adequate accounting records have not been kept by the Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 directors' report and from the requirement to prepare a strategic report.

### **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.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under the Companies Act 2006 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 financial statements 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 financial statements.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

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:

We made enquiries of management, the Directors and the Audit and Risk Committee. This included the following: how they have identified, evaluated and complied with laws and regulations and whether they were aware of any instances of non-compliance;



their process for detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and which internal controls have been established to mitigate risks related to fraud or non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charitable Company. These include, but are not limited to, compliance with Companies Act 2006, Charities Act 2011, UK Generally Accepted Accounting Practice, employment law and data protection.

We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including revenue recognition and the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

#### *Audit response to risks identified*

We designed and executed procedures in line with our responsibilities to detect material misstatements in respect of irregularities, including fraud. These procedures, together with the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- Discussions with management, the Trustees and the Audit and Risk Committee, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility;
- Challenging assumptions made by management in their significant accounting estimates in particular in relation to the assumptions related to the recoverability of intercompany balances;
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; considered completeness of related party transactions; and
- In addressing the risk of fraud through improper income recognition, we tested the appropriateness of certain journals and tested the application of cut-off and revenue recognition.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **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 auditor's 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 the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Samantha Lifford*

Samantha Lifford (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor  
Birmingham, UK

Date: 26 April 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Statement of financial activities (incorporating income and expenditure)**  
*for the year ended 31 July 2022*

		Unrestricted and Total Funds 2022 £	Restated Unrestricted and Total Funds 2021 £
	Notes		
<b>Income</b>			
Donations and legacies	2	85,000	117,500
Charitable activities	3	30,266	27,308
<b>Total income</b>		<u>115,266</u>	<u>144,808</u>
 Expenditure on charitable activities	 4	 <u>(150,601)</u>	 <u>(99,218)</u>
 <b>Net (expenditure) / income and net movement in funds for the year</b>		 <u>(35,335)</u>	 <u>45,590</u>
 <b>Reconciliation of funds:</b>			
Fund balances brought forward on 1 August		114,077	68,487
Net movement in funds		(35,335)	45,590
<b>Fund balances carried forward on 31 July</b>		<u>78,742</u>	<u>114,077</u>

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

All incoming and outgoing resources expended derive from continuing activities.

Notes to the financial statements are shown on pages 12 to 19.

**Balance sheet**  
*as at 31 July 2022*

Registered number 02869932

	Notes	2022 £	Restated 2021 £
<b>Current assets</b>			
Debtors	8	<u>78,742</u>	<u>114,077</u>
<b>Net assets</b>		<u>78,742</u>	<u>114,077</u>
<b>Funds of the charity:</b>			
Unrestricted funds	9	<u>78,742</u>	<u>114,077</u>

The Financial Statements on pages 12 to 19 were approved by the board of trustees on 25 April 2023 and were signed on its behalf by



**S J Ambler**  
*Director*

## Notes to the Financial Statements

### 1 Accounting policies

In Good Company Limited is a charitable company, limited by guarantee, incorporated in England under the Companies Act 2006. The address of the registered office is shown on the Company Information page and the nature of the Charitable company's principal activity is shown in the Trustees' Report.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements except as noted below.

#### Accounting convention

The financial statements of the charity have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

In Good Company Limited meets the definition of a public benefit entity under FRS 102. Financial statements are drawn up on the historical cost accounting basis.

#### Exemptions

The charitable company's ultimate parent undertaking, the University of Derby, includes the charitable company in its consolidated financial statements. The consolidated financial statements of The University of Derby are prepared in accordance with FRS 102 and are available to the public and may be obtained from the University of Derby, in these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- cash flow statement and related notes.

#### Going Concern

The trustees carefully review the financial and cash plans of the charity on a regular basis. In doing so, this enables them to plan and proactively prepare for events which might otherwise cause significant impact on the business.

While IGC didn't gain NPO status in the 2023 round of funding, they have secured partnership funding for 2023 and 2024 in the region of £40k p.a. from University of Derby Theatre Limited (£24k) and a range of other regional arts groups. This will provide a core of funding to support the one permanent staff member of IGC. The second individual employed at 31 July 2022 left IGC in April 2023. Funding has also been secured from Jerwood Foundation to support project activity. Further project activities will then be scaled to accommodate the level of funding available, for which grant applications are being prepared.

This has enabled management to prepare a going concern forecast to April 2024, 12 months from the date of signing the financial statements. Therefore, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the accounts have been prepared on a going concern basis.

IGC has an intercompany debtor balance of £32k with University of Derby Theatre Limited who will continue to support the activities of IGC.

#### Income

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

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

## Notes to the Financial Statements (continued)

### 1 Accounting policies (continued)

#### **Income (continued)**

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

#### **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of consultancy and support for performance artists performances, exhibitions and other educational activities to further the purposes of the charitable company.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### **Taxation**

##### **Corporation tax**

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### **Value added tax**

The Charity's income is exempt from Value Added Tax (VAT). Irrecoverable input VAT is included in the relevant expenditure categories.

#### **Fund Accounting**

Unrestricted funds are those which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

#### **Accounting estimates and judgements**

The preparation of financial statements requires the use of accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying accounting policies. Estimates, assumptions and judgements are continually evaluated based on available information and experience. Estimates based on assumptions and judgements could differ significantly from actual results.

The areas most affected using estimates and judgements are described below:

The intercompany debtor is recognised to the extent that it is judged recoverable. Management reviews are performed to estimate the level of provision required for irrecoverable debt. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Where the expectation is different from the original estimate, such differences will impact the carrying value of debtors and the charge in the statement of financial activities.

## Notes to the Financial Statements (continued)

### 2 Income from Donations and Legacies

	Unrestricted funds 2022	Restated Unrestricted funds 2021
	£	£
Grants	85,000	117,500
<b>Total</b>	<b>85,000</b>	<b>117,500</b>

### 3 Income from charitable activities

	Unrestricted funds 2022	Restated Unrestricted funds 2021
	£	£
Creative Learning income	30,266	27,308
<b>Total</b>	<b>30,266</b>	<b>27,308</b>

### 4 Expenditure by activity

	Direct costs 2022 £	Support costs 2022 £	Total costs 2022 £	Direct costs 2021 £	Support costs 2021 £	Total costs 2021 £
<b>Cost of charitable activities</b>						
Creative learning	150,601	-	150,601	99,218	-	99,218
<b>Total expenditure</b>	<b>150,601</b>	<b>-</b>	<b>150,601</b>	<b>99,218</b>	<b>-</b>	<b>99,218</b>

No support or governance costs were incurred by In Good Company Limited (2021: £nil).

### 5 Net movement in funds for the year

Net movement in funds for the year is stated after charging:

	2022 £	2021 £
Auditor's remuneration	6,000	2,000

Audit costs are borne in University of Derby Theatre Limited on behalf of the charitable company.

### 6 Staff costs

	2022 £	2021 £
Wages and salaries	46,029	33,847
Social security costs	3,940	3,416
Pension costs	2,074	1,655
	<b>52,043</b>	<b>38,918</b>

## Notes to the Financial Statements (continued)

### 6 Staff costs (continued)

Particulars of employees:

The average number of staff employed by the charitable company during the financial year amounted to:

	2022	2021
	No.	No.
Employees	2	2

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was nil (2021: nil).

There were no key management personnel paid in the current year or prior year. Key management are considered to be the same as University of Derby Theatre Limited, fellow subsidiary, and their pay costs have been paid within that entity.

### 7 Trustees and employees

No trustee received remuneration from the company during the year. Expenses of £nil (2021: £nil) were paid in the year. The company paid £nil (2021: £nil) during the year in respect of Trustees and Officers liability insurance.

### 8 Debtors

	2022	Restated 2021
	£	£
Amounts owed by group companies	32,242	6,877
Prepayments and accrued income	46,500	107,200
	<u>78,742</u>	<u>114,077</u>

### 9 Statement of funds – current year

	Restated Balance at 1 Aug 2021	Income	Expenditure	Balance at 31 Jul 2022
	£	£	£	£
<b>Unrestricted funds</b>				
General Funds	114,077	115,266	(150,601)	78,742
<b>Total of funds</b>	<u>114,077</u>	<u>115,266</u>	<u>(150,601)</u>	<u>78,742</u>

#### Statement of funds – prior year

	Restated Balance at 1 Aug 2020	Restated Income	Expenditure	Restated Balance at 31 Jul 2021
	£	£	£	£
<b>Unrestricted funds</b>				
General Funds	68,487	144,808	(99,218)	114,077
<b>Total of funds</b>	<u>68,487</u>	<u>144,808</u>	<u>(99,218)</u>	<u>114,077</u>

## Notes to the Financial Statements (continued)

### 9 Statement of funds (continued)

#### Analysis of net assets between funds

	Unrestricted funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Total funds 2021 £
Current assets	78,742	78,742	114,077	114,077
<b>Total</b>	<b>78,742</b>	<b>78,742</b>	<b>114,077</b>	<b>114,077</b>

### 10 Company Status

The charitable company is a company limited by guarantee. At the year end, there were four trustees, each of whom, under the terms of the Memorandum and Articles of Association, has undertaken to contribute a maximum of £1 in the event of a winding up of the charitable company.

### 11 Related party transactions

During the year, the charitable company transacted with a fellow subsidiary, University of Derby Theatre Limited as follows:

	Income Received 2022 £	Expenditure incurred 2022 £	Balance at 31 July 22 £
University of Derby Theatre Limited	85,000	-	32,242

	Income Received 2021 £	Expenditure incurred 2021 £	Balance at 31 July 21 £
University of Derby Theatre Limited	24,500	-	6,877

### 12 Ultimate parent undertaking

The charitable company's ultimate controlling party is the University of Derby. Copies of the ultimate parent company's consolidated accounts can be obtained from the Secretary at Kedleston Road, Derby DE22 1GB.

### 13 Prior Year Adjustment

Three prior year adjustments, as summarised below, have been applied in these financial statements to correct the balances previously reported as of 1 August 2020 and 31 July 2021. The adjustments include those required as a consequence of correcting grant income recognition in the financial statements. In Good Company Limited had incorrectly applied grant income recognition from the Statement of Recommended Practice: accounting for further and higher education 2019 rather than the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) as described in the accounting policies at note 1.



## Notes to the Financial Statements (continued)

### 13 Prior Year Adjustment (continued)

In addition, to the prior period adjustments noted above, In Good Company Limited have added the following disclosure notes into the financial statements to comply with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019). These include, Note 2: Income from Donations and Legacies, Note 3: Income from charitable activities, Note 4: Expenditure by activity, Note 6: Staff costs, Note 8: Debtors, Note 9: Statement of funds and Note 11: Related party transactions.

Finally, income from operating activities as previously disclosed in the 2021 signed financial statements has been split into income from donations and legacies and income from charitable activities in line with the requirements of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019). These are as follows:

		Net assets as at 1 August 2020	Net assets as at 31 July 2021	Surplus / (Deficit) for the year ended 31 July 2021
		£	£	£
<b>Balance Sheet</b>				
As previously stated		-	-	-
Adjustment to release deferred income for grants previously accounted for under accruals model	1	25,887	6,877	(19,010)
Adjustment to accrue grant income to recognise income at point of entitlement	2	42,600	107,200	64,600
Reclassification of debtor owed to group company incorrectly netted off against deferred income	3	-	-	-
<b>As restated</b>		<b>68,487</b>	<b>114,077</b>	<b>45,590</b>
		Unrestricted reserve	Restricted reserve	Surplus / (deficit) for the year ended 31 July 2021
		£	£	£
<b>Statement of financial activities – prior year</b>				
As previously stated at 1 August 2020		-	-	-
Adjustment to release deferred income for grants previously accounted for under accruals model	1	25,887	-	-
Adjustment to accrue grant income to recognise income at point of entitlement	2	42,600	-	-
Reclassification of debtor owed to group company incorrectly netted off against deferred income	3	-	-	-
<b>As restated at 1 August 2020</b>		<b>64,487</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements (continued)

### 13 Prior Year Adjustment (continued)

		Unrestricted reserve	Restricted reserve	Surplus / (deficit) for the year ended 31 July 2021
Statement of financial activities – current year		£	£	£
As previously stated at 31 July 2021		-	-	-
Adjustment to release deferred income for grants previously accounted for under accruals model	1	6,877	-	(19,010)
Adjustment to accrue grant income to recognise income at point of entitlement	2	107,200	-	64,600
Reclassification of debtor owed to group company incorrectly netted off against deferred income	3	-	-	-
<b>As restated at 31 July 2021</b>		<b>114,077</b>	<b>-</b>	<b>45,590</b>

1) Adjustment to release deferred income for grants previously accounted for under accruals model

An error was identified with the recognition of income as the accruals model of accounting for grants is not permitted under the Charities SORP. As a consequence of reversing the income identified for the prior year, deferred income has also been adjusted in the Balance Sheet to ensure it is also accurate.

The impact of the prior year adjustment has decreased the opening deferred income balance as at 1 August 2020 from £25,887 to £nil within the Balance Sheet. It has also increased unrestricted reserves as at 1 August 2020 from £nil to £25,887 within the Balance Sheet and the statement of funds.

The impact of the prior year adjustment on the movement of the income within the year to 31 July 2021 has decreased income from £99,218 to £80,208 in the Statement of Financial Activities. The closing deferred income balance as at 31 July 2021 has decreased from £6,877 to £nil within the Balance Sheet.

2) Adjustment to accrue grant income to recognise income at point of entitlement

Following on from the previous adjustment, grant income has been recorded in the financial statements at the point of entitlement. As a consequence of adjusting the grant income identified for the prior year, accrued income and deferred income in the Balance Sheet have both been adjusted to ensure they are also accurate.

The impact of the prior year adjustment has increased the opening accrued income balance as at 1 August 2020 from £nil to £42,600 within the Balance Sheet. It has also increased unrestricted reserves as at 1 August 2020 from £25,887 to £64,487 within the Balance Sheet and the statement of funds.

The impact of the prior year adjustment on the movement of income within the year to 31 July 2021 has increased income from £80,208 to £144,808 in the Statement of Financial Activities. The closing

## **Notes to the Financial Statements (continued)**

### **13 Prior Year Adjustment (continued)**

accrued income balance as at 31 July 2021 has increased from £nil to £107,200 within the Balance Sheet.

#### **3) Reclassification of debtor owed to group company incorrectly netted off against deferred income**

An error was identified that a balance owed to an intercompany and the deferred income balance were incorrectly offset against one and other on the Balance Sheet.

The impact of the prior year adjustment has increased amounts owed from a group company from £nil to £25,887.

The impact of the prior year adjustment on the movements within the year to 31 July 2021 has decreased intercompany debtors from £25,887 to £6,877 in the Balance Sheet.