PEGASUS THEATRE TRUST

England & Wales · Charity number 1055305

Details

Other names	PEGASUS THEATRE
Status	Registered
Legal form	Charitable company
Company number	03038190
Registered	1996-05-13
Register	View on the Charity Commission register

Contact

Address	Pegasus Theatre Magdalen Road Oxford OX4 1RE
Phone	01865812160
Email	polly.cole@pegasustheatre.org.uk
Website	www.pegasustheatre.org.uk

Activities

Objects: TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE PRACTICE AND APPRECIATION OF THE ARTS, IN PARTICULAR BUT NOT EXCLUSIVELY, FOR THE BENEFIT OF CHILDREN AND YOUNG PEOPLE.

Activities: Pegasus Theatre offers innovative performances, productions and participatory arts that promote social inclusion. Our work focuses on giving young people opportunities to make theatre their own. We also mentor and support emerging artists. Our programme reflects the cultural diversity of the local community.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Children/young People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

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Geography

- Oxfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£517,021	£759,456	£1,813,380	14
2024-03-31	£543,332	£772,818	£2,055,815	12
2023-03-31	£514,922	£788,231	£2,285,301	13
2022-03-31	£578,944	£762,254	£2,558,610	13
2021-03-31	£615,673	£684,659	£2,741,919	13

Trustees

Name	Role	Appointed
Nicholas Lloyd - White	Chair	2019-12-03
Bob Price		2018-06-27
Jessica Coller		2023-10-20
Rhys Jones		2023-10-20
Thomas Page		2022-12-08

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PEGASUS THEATRE TRUST

England & Wales - Charity number 1055305

Accounts

PEGASUS THEATRE TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2025

Company No: 03038190

Charity No: 1055305

Report of the Trustees

The Trustees present their report and the audited financial statements of the charity for the year ended 31st March 2025. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

J Coller
R Jones (Joint Chair from 25 September 2025)
B J Joshua
N Lloyd-White (Joint Chair from 25 September 2025)
E MacDonald
T Page
R Price

Reference and Administrative Details

Chief Executive Officer	AH Cole (to 24 September 2024)
Joint Chief Executive Officers	G Bradley (from 25 September 2024) J McCraw (from 25 September 2024)
Company Number	03038190
Charity Number	1055305
Registered Office & Business address	Pegasus Theatre Trust Magdalen Road Oxford OX4 1RE
Principal bankers	Co-operative Bank plc P O Box 250 Skelmersdale WN8 6WT
Independent examiners	Joshua Kingston BSc ACA Burton Sweet Limited Chartered Accountants The Clock Tower 5 Farleigh Court Old Weston Road Flax Bourton Bristol BS48 1UR

Notes to the financial statements

Objectives and activities

The objects of the company, as stated in its memorandum of association, are to advance the education of the public in the practice and appreciation of the arts, in particular, but not exclusively, for the benefit of children and young people.

Mission
Young people are the life force of Pegasus.
We provide the inspiration for journeys filled with creative opportunity, aspiration and imagination. Through listening and responding to the needs, ideas and energy of all those who find a home within it, Pegasus is a pioneering force creating the present, challenging and shaping the future and making an enduring impact on the vitality of the performing arts locally, regionally and nationally.

Vision
We will be recognised as a pioneering force in the performing arts with our work for, by and with young people providing outstanding opportunities for them to experience and create in the present, challenge and shape the future and make an enduring impact on the vitality of the performing arts locally, regionally and nationally.

The continual development of our artistic and organisational ambition will be shaped by listening and responding to the needs, ideas and energy of all those who find a home with us and informed by the creativity, skills and talents we will nurture in young people and staff alike.

Whilst recognising the needs and expectations of each young person who engages with us will vary, we will provide the space and support to enable young people to embark on individual journeys of personal growth filled with creative opportunity, aspiration and imagination.

We will be bold in our approach to securing a sustainable future for the organisation, reach out to partners who can support us, be nimble and adaptable to the ever-changing environment that surrounds us and ensure the choices we make enable us to work in innovative, viable and inspiring ways.

We will be at the heart of the communities we serve and foster a sense of belonging that encourages people of all ages, backgrounds and cultures to experience together outstanding creative experiences that are vibrant, urgent and exciting.

Public Benefit Statement

The Trustees consider that, having paid due regard to the public benefit guidance published by the Charity Commission, they have complied with the duty placed upon them in section 17(5) of the Charities Act 2011.

Achievements and performance

Continuing our focus on providing creative opportunities for young people and their families we have over the year worked with project partners with shared ambitions to bring an impactful range of opportunities to our programme and positive changes in the inclusivity and diversity of the theatre.

We have maintained our commitment to providing inspiring and high-quality projects for children, young people and their families. Our weekly classes, projects and young companies offer opportunities for young people to create and share their own work, and in-depth support helps their development in performance skills and creative thinking, in turn building confidence, self-esteem, problem solving and communication skills. In the context of shrinking opportunities for arts and culture education in our schools, this role has never been more important.

Our two year-long young companies (11-15 and 16-25) have provided skills development, stage craft and performance opportunities culminating in successful public productions. We have also provided theatre technical skills development and training for young people through a technical young company (14-18s) which worked alongside our other young companies on their annual productions. The 11-15 Young Company worked throughout the year towards their production of *Second Person Narrative* by Jemma Kennedy with public performances in July 24. 16-25 Young Company presented *[BLANK]* by Alice Birch, in December 24.

Working in partnership with the Oxfordshire Growing Minds school readiness project we toured Boxes, a sensory show created by What Not Theatre and supported by Pegasus into five community stay and play

Notes to the financial statements

settings in the most deprived wards of the city. The project engaged over 250 families, the majority of whom had not experienced live performance before.

Our Youth Advisory Board has embedded the process of young people informing decision-making across the organisation, reflecting the interests and enthusiasm of young people, raising their confidence and aspiration, and deepening their understanding of the impact and cultural capital their voice can have. Youth Advisory Board Members have advised on ticket pricing at Pegasus, contributed to the development of the organisation's new business plan, offered programme ideas for the annual Christmas Light Festival, and volunteered at community events throughout the year.

We continued to support participation by young people who are experiencing multiple disadvantages and who have little or no access to the arts, through our free to access inclusion programme. This programme offers weekly creative and drama-based sessions for young people who have been referred from schools, social services and early intervention hubs: the Looking Forward programme is geared to the needs of vulnerable young women (11-18s, two groups); and the Acting Out programme is offered to children who are experiencing a range of challenging life circumstances (8- 11s). Studio Saturdays is now established as a monthly creative workshop for young people with learning disabilities included music, dance, drama and puppetry. These projects offered creative activities and in-depth support to help participants build confidence and self-esteem, positively interact with their peers, make new friendships, develop new skills and get some respite from their challenging daily lives.

We aim to ensure that every young person who wants to participate at Pegasus can do so. We have maintained affordable prices across the full range of our activities; and we ensure that our courses and young companies provide supported spaces for participants who face multiple barriers to engaging with the arts, including financial barriers, physical or learning difficulties and social support needs. We have continued to provide one-to-one and group enabler assistance to young people where this is appropriate to support their full participation.

We have continued to embed our community engagement and build relationships within our diverse and underserved local communities, identifying currently unmet needs and collaborating with local organisations to widen and deepen engagement. Over the year this has resulted in Pegasus actively participating in local networks, including Oxfordshire Youth's Changemaker Network and Oxygen (Oxfordshire's Cultural Education Partnership), increased involvement in local events such as Flo Fest and Oxford City Christmas Lights Festival and building relationships with organisations such as Oxford People's Theatre, IF Festival and Tiny Ideas Festival. Additionally, we have developed a relationship with Refugee Resource in Oxford and their women's group, working on intergenerational projects with families that access services with this partner organisation. Pegasus also hosted the first ROAR festival in several years, working alongside other arts and social organisations to programme a day of activity and events celebrating disability arts. We have worked with more schools this year delivering workshops in 12 local primary schools for 816 pupils in conjunction with our Christmas show, *Elves and the Shoemaker,* and three primary schools creating poetry with pupils as part of our Christmas Light Festival activity. With secondary schools we have delivered three weeks of work experience for 154 students and also workshops for Year 7 students joining Oxford Spires Academy as part of a week-long transition programme supporting pupil premium students preparing to attend their new school.

The last cohort of Bristol School of Acting Diploma students are completing their final academic year of study. Our spaces have also been used this year by Oxford School of Drama students on their acting foundation course, with plans to develop this relationship next year. Our long-standing partnership with Magdalen College School to support the delivery of their Theatre Academy continues to thrive and included productions of *Go For Gold and Henry V* this year.

Our creative learning programme has seen attendances of over 8,250 across the year.

Over the year we welcomed audiences of over 7,700 to our show programme presenting over 100 performances on Fridays and Saturdays which included some of the most exciting companies producing work for children, young people and families. We have also broadened our programming mix to include more work presented by local professional and community artists and companies. Our Christmas production *The Elves and the Shoemaker* produced by Wild Boor ideas reached an audience capacity of 97% and was our most successful festive offer for a number of years. Oxford People's Theatre's production of *The Moon and Darker Tales* drew full houses for four performances and showcased the work of local performers and creatives aged from 9-90.

Notes to the financial statements

Financial review

The £242,435 deficit for the year (2024: deficit of £229,486) is reported after charging £170,505 depreciation to the building fund which is a non-cash movement. We are continually grateful for the support of key funding provided by the Arts Council National Portfolio status and Oxford City Council Funding. Operating spending has been reviewed and savings have been made in staffing costs and administration. However, fundraising from other sources proved very challenging this year and the cash deficit for the year of £55,093 (2024: deficit of £73,542) is the result of this.

Reserves Policy

Pegasus Theatre Trust holds reserves in order to provide business stability and to invest in its charitable and artistic activities. The Trustees review the reserve levels of the charity annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future of the charity, the uncertainty over future income streams and other key risks identified during the risk review.

This year in challenging financial circumstances the board have reviewed and assessed the risks facing the organisation and have transferred funds held in designated reserves to the general free reserves.

Total current funds are £1,813,380 of which £1,734,678 is the Designated Building Fund and represents the residual value of grants from Arts Council England, Southeast, The Big Lottery Fund and other donations which contributed to the capital project (2010). The fund is reduced annually by the charge for depreciation of the building.

The current level of free reserves is £68,637 and the trustees believe that this is sufficient to meet contractual liabilities should the organisation have to close or cease trading for any period. This is the equivalent of the upper reserves threshold of £25,000 and the balance of the funds transferred from the strategic reserve. This includes redundancy pay, amounts due to creditors and commitments under leases. and maintain working capital for the foreseeable future.

Investment powers and policy

Under the memorandum and articles of association, the trustees of the charity have the power to invest as they see fit in the furtherance of the charity's objectives. The trustees' investment policy is to obtain as high an income as possible with low risk. Such funds should be easily accessible given the requirement to hold liquid funds to meet cash flow demands and unexpected liabilities. The funds are therefore invested with the Co-operative and Virgin Money Banks. The investments provided a return of 0.16% in the year ended 31st March 2025.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Future plans

With new co-leadership structures for both the Executive Team and Board of Trustees now fully embedded within the organisation the focus for the coming year is on delivering a reinvigorated business model that focuses on balancing a high quality, accessible artistic programme alongside commercial activity.

The appointment of a Fundraising and Marketing Officer will enable the Artistic Director/Joint CEO to lead more actively on securing funds from trusts and foundations and provide oversight to the development and delivery of other fundraising activities including the relaunch of Pegasus's friends scheme "Roots and Shoots" and individual and corporate donation generation activities. The board of trustees will focus on the cultivation of larger scale donors and refresh of the patronage support programme for the organisation.

The building and its spaces are a major driver in the upcoming generation model. Ambitious but achievable targets have been set to increase revenue from both the short- and long-term hire of our spaces including

Notes to the financial statements

the repurposing of our café area as the multi-functional "Gallery". We are collaborating with architects on a bro pono basis to formulate plans for the redevelopment of the building to include a third multi-functional space that will be available for hire. We have allowed space in our programming calendar to accommodate more hires from both professional and community organisations whilst maintaining availability to support artists and community organisations in kind.

Board Members Rhys Jones and Nick Lloyd-White were appointed as Joint Chairs in September 2024, supported by Bob Price who will remain on the board for the last year of his eight-year term. The CEO role has been taken forward jointly by Georgia Bradley (Artistic Director) and John McCraw (Creative Learning Director). Former CEO Polly Cole remains with the organisation as Head of Finance and Administration.

Over the coming year we will continue to address the financial and resourcing challenges facing the organisation. We will ensure we provide value for money by investing our resources, be they time or money, efficiently, continually reviewing where we direct our resources in relation to the needs and expectations of our young audiences and wider community. We will continue our organisation development programme to bring about positive changes in the inclusivity and diversity of the theatre. We aim to embed processes that will ensure that we fully represent and reflect the diversity of the communities we serve into the future. Ever mindful of our impact on future generations we will continue to implement our environmental action plan.

In recent recruitments the board successfully increased representation of younger people and those directly working in the arts. The next priority is to bring fresh energy to the team by addressing under representation from people of the global majority and local community arts practitioners.

Structure, governance and management

Pegasus Theatre Trust is a company limited by guarantee governed by its memorandum and articles of association dated 27 March 1995 as amended by special resolution dated 7 February 1996 and 21 October 2009. It is registered as a charity with the Charity Commission from 13 May 1996. The liability of members in the event of a winding up is limited by guarantee to an amount not exceeding £1 per member. At the balance sheet date there were 7 members.

In October 2014 the company formed a subsidiary, Pegasus Theatre Productions Ltd.

Appointment of Trustees

Pegasus Theatre Trust as a registered charity is governed by a board of trustees who are also directors of the company. Details of the trustees and directors are given on page 1. Each trustee is expected to remain in office for five years and may be re-elected for one further three-year term but may not be re-elected for a further term in office unless exceptional circumstances apply. Recruitment takes place as required and is also informed by a regular skills audit to ensure the changing needs of the organisation can be supported.

All trustees have a discussion with the chair, other members of the board and executive team prior to appointment which provides a summary of the trust's development to date and its current position. The new trustees have an opportunity to discuss the issues that arise and ask any questions. New trustees also receive a written role description, details of principal responsibilities and duties, recent minutes, some historical information and the current business plan, as well as the memorandum and articles of association and most recent accounts. All trustees receive an induction, which includes meeting the wider staff team, visits to a variety of Pegasus activities, in-house mentoring and training where necessary. Any trustee who will be in unsupervised contact with young people is required to be checked through the Disclosure and Barring Service.

Organisation

The Board of Trustees administer the charity. The board meets four times a year. In November 2018 the chairs' committee was disbanded and there are two sub-committees which allow for more detailed discussion and scrutiny at separate meetings the development committee: and the finance and resources subcommittee meets four times a year prior to board meetings.

The Artistic Director and Creative Learning Director as Joint Chief Executive Officers direct the strategic development and day-to-day operations of the charity.

Notes to the financial statements

Key Management Personnel Remuneration

The trustees consider the Board of Trustees, and the Joint Chief Executives, Artistic Director and Creative Learning Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 7 & 17 to the accounts.

Trustees are required to disclose all relevant interests and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises. The pay of the key management personnel is reviewed annually by the trustees to ensure that it is fair and not out of line with similar roles.

Related Parties

Arts Council England, and Oxford City Council provide essential core funding and have nominated representation on the board as non-voting observers.

Details of transactions with these organisations are provided in note 17 to the accounts. The charity has one wholly owned subsidiary which currently does not trade.

The chair of Pegasus Youth Board is co-opted as trustee to the board with full voting rights or as non-voting observer depending on age.

Fundraising Practice

The organisation has signed up to the Fundraising Regulator's Code of Fundraising Practice. Any direct fundraising marketing is undertaken by the executive team to ensure it is not unreasonably intrusive or persistent. All fundraising material includes details of how to unsubscribe from all future mailings or contact. There have been no complaints made regarding fundraising activity during the year.

Risk Management

The trustees are responsible for the management of risks faced by the organisation. The board carries out a formal review of the charity's risk management processes on an annual basis and the charity maintains a risk register which is regularly monitored and reviewed by the board.

The key areas of risk where management failure would carry a potential threat to the organisation have been identified as follows: failures in statutory and regulatory compliance regarding the safeguarding of young people, reductions in income generated and failing to respond to changing funding environments, exceeding organisational capacity. The management of risk and the effectiveness of all material internal controls, including operational, financial and compliance controls is ongoing and reviewed and assessed by the senior management team, and is regularly reviewed by the board.

Notes to the financial statements

Statement of Trustees responsibilities

The trustees (who are also directors of Pegasus Theatre Trust for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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 Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of 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.
- observe the methods and principles in the Charities SORP.
- make judgments 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 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 Companies Act 2006. 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.

This report was approved by the Board of Directors and Trustees on **30 September 2025** and signed on its behalf by:

Nicholas Lloyd-White
Director/ Trustee (Chair)

Rhys Jones
Director/ Trustee (Chair)

Independent examiner's report to the trustees of Pegasus Theatre Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2025.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Joshua Kingston

Joshua Kingston BSc ACA
Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 30 September 2025

PEGASUS THEATRE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income from:					
Donations and grants	**2**	333,007	29,067	362,074	399,159
Charitable activities	**3**	154,085	-	154,085	143,561
Investment income		862	-	862	612
Total income		487,954	29,067	517,021	543,332
Expenditure on:					
Raising funds	**4**	9,190	-	9,190	16,374
Charitable activities	**5**	724,503	25,763	750,266	756,444
Total expenditure		733,693	25,763	759,456	772,818
Net income/(expenditure) and net movement in funds	**6**	(245,739)	3,304	(242,435)	(229,486)
Total funds at start of year	**14**	2,051,119	4,696	2,055,815	2,285,301
Total funds at end of year	**14**	1,805,380	8,000	1,813,380	2,055,815

The Charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 12 to 23 form part of these financial statements
See note 8 for fund-accounting comparative figures

PEGASUS THEATRE TRUST

BALANCE SHEET

AS AT 31 MARCH 2025 **Company number: 03038190**

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	**9**	1,736,743	1,915,516
Investments	**10**	1	1
		1,736,744	1,915,517
Current assets			
Stock		924	978
Debtors	**11**	44,697	52,289
Cash at bank and in hand		85,846	140,939
		131,467	194,206
Liabilities			
Creditors : amounts falling due within one year	**12**	(54,831)	(53,908)
Net current assets		76,636	140,298
Net assets		1,813,380	2,055,815
FUNDS			
Unrestricted funds			
General funds	**16**	70,702	30,936
Designated funds	**16**	1,734,678	2,020,183
Restricted funds	**16**	8,000	4,696
Total funds		1,813,380	2,055,815

For the year ended 31 March 2025 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with requirements of the Act with respect to accounting records and the preparation of the accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the trustees on 30 September 2025 and signed on their behalf by:

Beverley Pilcher

Beverley Pilcher
Director/Trustee

The notes on pages 12 to 23 form part of these financial statements

PEGASUS THEATRE TRUST

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Net cash inflow from operating activities	**A.**	(55,955)	(74,154)
Non-operational cash flows:			
Investing activities			
Interest received		862	612
		862	612
Net cash inflow/(outflow) for the year	**B.**	(55,093)	(73,542)

Notes to the Cashflow Statement

A. Reconciliation of net movement in funds to net cash inflow from operating activities

	2025 £	2024 £
Statement of Financial Activities: Net movement in funds	(242,435)	(229,486)
Investment income	(862)	(612)
Depreciation	178,773	181,243
(Increase) / Decrease in stock	54	212
(Increase) / Decrease in debtors	7,592	(15,591)
Increase / (Decrease) in creditors: current liabilities	923	(9,920)
Net cash (outflow)/inflow from operating activities	(55,955)	(74,154)

B. Analysis of changes in cash during the year

	2025 £	2024 £	Change £
Cash at bank and in hand	85,846	140,939	(55,093)

	2024 £	2023 £	Change £
Cash at bank and in hand	140,939	214,481	(73,542)

C. Cashflow Restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

The notes on pages 12 to 23 form part of these financial statements

1 Accounting policies

Accounting convention

The financial statements have been prepared in accordance with the historical cost convention (except where otherwise stated in the accounting policy note) and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Companies Act 2006.

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.

The charity is a public benefit entity as defined under FRS102.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds form part of unrestricted funds and have been identified as being for particular purposes by the Trustees. They are not restricted and can be transferred to general funds at any time at the discretion of the Trustees.

Further explanation of the nature and purpose of each fund is included in note 14 of the financial statements.

Income

Income from donations is included in income when these are receivable, except as follows:

I. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods;
II. When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the pre-conditions have been met.

Investment income is included on a receivable basis.

Donations in kind comprise donated services where the costs are measurable and the services would otherwise have to be paid for to maintain operational effectiveness.

Expenditure

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

Raising funds

Raising funds expenditure include those costs incurred in seeking voluntary contributions, costs of goods sold and other costs which include the costs of running and participating in fundraising events and collections and cost of goods purchased for resale.

1 Accounting policies - continued

Charitable Activities
Grants awarded are allocated to charitable activities.

Grants awarded are treated as expenditure and a liability in the accounts as soon as they become legal or constructive obligations. In the case of multi-year grant awards, the funding for all years is immediately recognised unless there are conditions which need to be met by the recipient to enable the release of subsequent years' funding.

Governance costs
Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. Governance costs are included within support costs.

Allocation and apportionment costs
Certain expenditure is directly attributable to specific activities and this has been included in those cost categories. Other costs, which are attributable to more than one category, are apportioned across cost categories on the basis of an assessment of workload carried out from time to time.

Overhead support costs have been allocated between fundraising and publicity costs, fundraising trading and charitable activities. The apportionment has been allocated on the basis of usage and is analysed in notes 4 & 5.

Tangible fixed assets
Fixed assets are held at cost less accumulated depreciation. Assets costing less than £300 are not capitalised. The company has built a new theatre which was commissioned in May 2010. Costs are directly connected with the construction of the new theatre including architects' fees. Structural engineers' costs and direct project management costs have been capitalised.

Depreciation is calculated so as to write off the cost of an asset, less its estimated ultimate residual value, over the useful life of that asset as follows:

Fixtures, fittings and equipment	4 years
Building	25 years

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

Donated items are not valued in stock and recognised in income only when sold.

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

Bank
Cash at bank and cash in hand includes cash and short term highly liquid investments with short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1 Accounting policies - continued

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension schemes. Contributions payable to the charity's pension schemes are charged to the Statement of Financial Activities in the period to which they relate.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and 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.

Going Concern

The Trustees consider that there are no material uncertainties affecting the ability of the charity to continue as a going concern. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 Income from: Donations and grants

Core Grants	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Oxford City Council	20,000	-	20,000
Arts Council England South-East	305,489	-	305,489
	325,489	-	325,489

Public grants	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Oxfordshire County Council	-	7,567	7,567
Oxford City Council	-	3,000	3,000
	-	10,567	10,567

Other grants and donations	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
The Souter Charitable Trust	-	2,000	2,000
Christopher Laing Foundation	500	-	500
OCVA &CFO - Well Together	-	12,000	12,000
Oxford Brookes	-	1,500	1,500
The D'Oyly Carte Charitable Trust	-	3,000	3,000
Donations from Individuals	7,018	-	7,018
	7,518	18,500	26,018
	333,007	29,067	362,074

2 Income from: Donations and grants - continued

Prior year comparative (2023-24)

Core Grants	Unrestricted Funds £	Restricted Funds £	**Total Funds 2024 £**
Oxford City Council	20,000	-	20,000
Arts Council England South-East	305,489	-	305,489
	325,489	-	325,489

Public grants	Unrestricted Funds £	Restricted Funds £	**Total Funds 2024 £**
Oxfordshire County Council	**-**	7,658	7,658
	-	7,658	7,658

Prior Year comparative	Unrestricted Funds £	Restricted Funds £	**Total Funds 2024 £**
Garfield Weston Foundation	30,000	-	30,000
PF Charitable Trust	5,000	-	5,000
Mr and Mrs JA Pye's Charitable Settlement	6,667	-	6,667
The Helen Hamlyn Trust	12,500	-	12,500
The Weinstock Fund	-	2,500	2,500
The Souter Charitable Trust	-	3,000	3,000
Donations from Individuals	6,345	-	6,345
	60,512	5,500	66,012
	386,001	13,158	399,159

3 Income from: Charitable activities

	Total Funds 2025 £	Total Funds 2024 £
Ticket sales	44,125	39,358
Participation fees	35,696	27,342
Facilities hire	5,831	3,571
Hire fees (performances)	4,079	1,200
Cafe Bar sales	4,400	3,425
Miscellaneous	3,817	709
Sponsorship	38,807	51,758
Theatre tax relief	17,330	16,198
	154,085	143,561

All income from charitable activities received in the current and prior year was unrestricted.

4 Expenditure on: Raising funds

	Total Funds 2025 £	Total Funds 2024 £
Direct costs	8,460	14,875
Support costs	730	1,499
	9,190	16,374

5 Expenditure on: Charitable activities

	Direct Costs £	Support Costs £	Total Funds 2025 £
Programme	43,072	43,835	86,907
Producing	89,859	50,936	140,795
Participation	134,939	53,589	188,528
Administration	56,638	2,162	58,800
Premises/Front of House	82,483	7,628	90,111
Depreciation	178,773	-	178,773
Governance costs	3,605	2,746	6,352
	589,369	160,897	750,266

5 Expenditure on: Charitable activities - continued

	Direct Costs £	Support Costs £	Total Funds 2024 £
Programme	88,826	40,591	129,417
Producing	64,708	33,275	97,983
Participation	165,627	32,582	198,209
Administration	58,511	2,081	60,592
Premises/Front of House	69,867	11,601	81,468
Depreciation	-	181,243	181,243
Governance costs	5,649	1,883	7,532
	453,188	303,256	756,444

6 Net income/(expenditure) for the year

This is stated after charging:

		2025 £	2024 £
Independent examiner's fee	- for independent examination services	2,990	2,850
	- for other services	395	375
Trustees' travel, meeting and training expenses		-	10
Depreciation		178,773	181,243

No Trustees (2024: 1) have been reimbursed for their out of pocket travel expenses (2024: £96). No Trustee received any remuneration during the current or prior year.

7 Staff costs and numbers

The aggregate payroll costs were:

	2025 £	2024 £
Wages & salaries	261,058	281,733
Social security costs	17,313	20,107
Pension contributions	7,040	8,155
Redundancy payments	-	1,432
	285,411	311,427

No employee received emoluments of more than £60,000.

The average weekly number of employees during the year was 14 (2024: 12), calculated on the basis of average headcount. The total employment benefits received by key management personnel including employer national insurance and employer pension were £101,356 (2024: £145,894).

The charity considers its Joint Chief Executive Officers to be the key management personnel.

8 Statement of Financial Activities comparative figures

For the year ended 31 March 2024	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Income from:			
Donations and grants	386,001	13,158	399,159
Charitable activities	143,561	-	143,561
Interest income	612	-	612
Total income	530,174	13,158	543,332
Expenditure on:			
Raising funds	16,374	-	16,374
Charitable activities	746,286	10,158	756,444
Total expenditure	762,660	10,158	772,818
Net income/(expenditure) for the year and net movement in funds	(232,486)	3,000	(229,486)
Total funds at start of year	2,283,605	1,696	2,285,301
Total funds at end of year	2,051,119	4,696	2,055,815

9 Tangible fixed assets

	Building £	Fixtures and new theatre equipment £	Fittings and equipment £	Total £
Cost or valuation				
At 1 April 2024	4,262,613	398,882	72,310	4,733,805
At 31 March 2025	4,262,613	398,882	72,310	4,733,805
Depreciation				
At 1 April 2024	2,357,430	398,882	61,977	2,818,289
Charge for the year	170,505	-	8,268	178,773
At 31 March 2025	2,527,935	398,882	70,245	2,997,062
Net book value				
At 31 March 2025	1,734,678	-	2,065	1,736,743
At 31 March 2024	1,905,183	-	10,333	1,915,516

10 Investments

	Shares in subsidiary undertakings
Cost	
At 1 April 2024	1
At 31 March 2025	1

The investment is made up of 100% of the share capital of Pegasus Theatre Productions Limited. Consolidated accounts have not been prepared as Pegasus Theatre Productions Limited was dormant throughout the whole period.

11 Debtors

	2025	2024
Due in less than one year:	**£**	£
Trade debtors	17,709	-
Prepayments and accrued income	26,988	52,289
	44,697	52,289

12 Creditors

	2025	2024
Amounts falling due within one year:	**£**	£
Trade creditors	14,664	13,375
Accruals	9,130	10,367
Deferred income	5,766	5,765
Amounts owed to group undertakings	1	1
Tax and social security	13,145	12,512
Other creditors	12,125	11,888
	54,831	53,908

13 Operating leases

At 31 March the organisation had commitments under a non-cancellable operating lease for the coffee machine as follows:

Payments due:

	2025	2024
Within 1 year	755	-
Between 2 to 3 years	1,450	-
	2,205	-

14 Movement in funds

For the year ended 31 March 2025

	At 1 April 2024	Income	Expenditure	Transfers	At 31 March 2025
	£	£	£	£	£
Restricted funds					
Oxfordshire County (ENB)	-	7,567	(7,567)	-	-
Oxford City Council (DC)	1,488	-	(1,488)	-	-
Oxford City Council (LF)	-	3,000	(3,000)	-	-
Weinstock Fund	208	-	(208)	-	-
Souter Charitable Trust	3,000	2,000	(3,000)	-	2,000
Oxford Brookes University	-	1,500	(1,500)	-	-
OCVA & CFO Well Together	-	12,000	(6,000)	-	6,000
The D'Oyly Carte Charitable Trust	-	3,000	(3,000)	-	-
	4,696	29,067	(25,763)	-	8,000
Unrestricted funds					
General funds	30,936	487,954	(563,188)	115,000	70,702
Designated funds:					
Strategic reserve	115,000	-		(115,000)	-
Building fund	1,905,183	-	(170,505)	-	1,734,678
	2,051,119	487,954	(733,693)	-	1,805,380
Total funds	2,055,815	517,021	(759,456)	-	1,813,380

Fund Descriptions

Restricted Funds:

Oxfordshire County (ENB) - Funds to support the participant enablers.
Oxford City Council (DC) - Funds to support the delivery of Dawn Chorus project.
Oxford City Council (LF) - Funds to support Light Festival projects.
The D'Oyly Carte Charitable Trust - Funds to support the delivery of the creative learning programme.
Oxford Brookes University Grant - Funds for the research project into Diversifying Audiences.
Weinstock Fund - Funds to support access needs for young participants.
OCVA & CFO Well Together Grant - Funds restricted to the Acting Out (Inclusion Project).
Souter Charitable Trust - Funds to support Boxes community tour.

14 Movement in funds - continued

Designated Funds:

Strategic reserve - this reserve historically stood at £115,000 and was held for contingency purposes in the event the organisation closed or ceased trading. During the year the trustees agreed to transfer the £115,000 designated fund to the general reserve to aid operational need over the coming period.

In 2024 the board reviewed and assessed the risks facing the organisation and transferred the young companies' production fund and the asset replacement fund to the general fund.

Building fund - Represents the residual value of grants from Arts Council England, Southeat, The Big Lottery Fund and other donations which contributed to the capital project (2010). The fund is reduced annually by the charge for depreciation of the building.

For the year ended 31 March 2024

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
Restricted funds					
Oxfordshire County (ENB)	-	7,658	(7,658)	-	-
Oxford City Council (DC)	1,488	-	-	-	1,488
Weinstock Fund	208	2,500	(2,500)	-	208
Souter Charitable Trust	-	3,000	-	-	3,000
	1,696	13,158	(10,158)	-	4,696
Unrestricted funds					
General funds	29,917	530,174	(592,155)	63,000	30,936
Designated funds:					
Strategic reserve	146,000	-	-	(31,000)	115,000
Asset replacement fund	22,000	-	-	(22,000)	-
Young Companies' Production fund	10,000	-	-	(10,000)	-
Building fund	2,075,688	-	(170,505)	-	1,905,183
	2,283,605	530,174	(762,660)	-	2,051,119
Total funds	2,285,301	543,332	(772,818)	-	2,055,815

15 Contingent liabilities

The Charity has provided a legal debenture over the property as valuable security in connection with the £2,700,000 grant from Arts Council, England. No provision has been made in respect of the grant or any other capital grant as the conditions attached are deemed unlikely to occur.

The Charity has provided a legal charge over the property as valuable security in connection with the £1,850,000 grant from the Big Lottery Fund. No provision has been made in respect of the grant or any other capital grant as the conditions attached are deemed unlikely to occur.

16 Analysis of net assets between funds

As at 31 March 2025	Restricted Funds	Unrestricted Designated Funds	Unrestricted General Funds	Total
	£	£	£	£
Tangible fixed assets	-	1,734,678	2,065	1,736,743
Other net assets	8,000	-	68,637	76,637
	8,000	1,734,678	70,702	1,813,380

As at 31 March 2024	Restricted Funds	Unrestricted Designated Funds	Unrestricted General Funds	Total
	£	£	£	£
Tangible fixed assets	-	1,905,183	10,333	1,915,516
Other net assets	4,696	115,000	20,603	140,299
	4,696	2,020,183	30,936	2,055,815

17 Related party transactions

Pegasus Theatre Trust has a related party relationship with Rhys Jones, who is a company director and also a trustee of the charity.

During the year, Rhys Jones' services as a production director were engaged by the charity, to the value of £2,101.00. His partner Tabitha Grove was also paid £2,711.27 by the charity to provide design services. Both of these payments are permitted under the charity's constitution.

There were no further related party transactions in the year or prior year other than recorded elsewhere in the accounts.

PEGASUS THEATRE TRUST

England & Wales - Charity number 1055305

Accounts

PEGASUS THEATRE TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2024

Company No: 03038190

Charity No: 1055305

Report of the Trustees

The Trustees present their report and the unaudited financial statements of the charity for the year ended 31st March 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

J Coller (appointed 20 Oct 2023)
R Jones (appointed 20 Oct 2023)
B J Joshua
N Lloyd
E MacDonald
T Page
R Price

Reference and Administrative Details

Chief Executive Officer	AH Cole
Company Number	03038190
Charity Number	1055305
Registered Office & Business address	Pegasus Theatre Trust Magdalen Road Oxford OX4 1RE
Principal bankers	Co-operative Bank plc P O Box 250 Skelmersdale WN8 6WT
Independent examiners	Joshua Kingston BSc ACA Burton Sweet Limited Chartered Accountants The Clock Tower 5 Farleigh Court Old Weston Road Flax Bourton Bristol BS48 1UR

Report of the Trustees (continued)

Objectives and activities

The objects of the company, as stated in its memorandum of association, are to advance the education of the public in the practice and appreciation of the arts, in particular, but not exclusively, for the benefit of children and young people.

Mission
Young people are the life force of Pegasus.
We provide the inspiration for journeys filled with creative opportunity, aspiration and imagination. Through listening and responding to the needs, ideas and energy of all those who find a home within it, Pegasus is a pioneering force creating the present, challenging and shaping the future and making an enduring impact on the vitality of the performing arts locally, regionally and nationally.

Vision
We will be recognised as a pioneering force in the performing arts with our work for, by and with young people providing outstanding opportunities for them to experience and create in the present, challenge and shape the future and make an enduring impact on the vitality of the performing arts locally, regionally and nationally.

The continual development of our artistic and organisational ambition will be shaped by listening and responding to the needs, ideas and energy of all those who find a home with us and informed by the creativity, skills and talents we will nurture in young people and staff alike.

Whilst recognising the needs and expectations of each young person who engages with us will vary, we will provide the space and support to enable young people to embark on individual journeys of personal growth filled with creative opportunity, aspiration and imagination.

We will be bold in our approach to securing a sustainable future for the organisation, reach out to partners who can support us, be nimble and adaptable to the ever-changing environment that surrounds us and ensure the choices we make enable us to work in innovative, viable and inspiring ways.

We will be at the heart of the communities we serve and foster a sense of belonging that encourages people of all ages, backgrounds and cultures to experience together outstanding creative experiences that are vibrant, urgent and exciting.

Public Benefit Statement

The Trustees consider that, having paid due regard to the public benefit guidance published by the Charity Commission, they have complied with the duty placed upon them in section 17(5) of the Charities Act 2011.

Achievements and performance

Continuing our focus on providing creative opportunities for young people and their families we have over the year worked with project partners with shared ambitions to bring an impactful range of opportunities to our programme and positive changes in the inclusivity and diversity of the theatre.

We have maintained our commitment to providing inspiring and high-quality projects for children, young people and their families. Our weekly classes, projects and young companies offer opportunities for young people to create and share their own work and in-depth support helps their development in performance skills and creative thinking, in turn building confidence, self-esteem, problem solving and communication skills. In the context of shrinking opportunities for arts and culture education in our schools, this role has never been more important.

Our two year-long young companies (11-15 and 16-25) have provided skills development, stage craft and performance opportunities culminating in successful public productions. We have also provided theatre technical skills development and training for young people through a technical young company (14-18s) which worked alongside our other young companies on their annual productions. The 11-15 Young Company worked throughout the year towards their production of The Crossing with public performances in July 23. The 16-25 Young Company presented Memoria, in December.

Report of the Trustees (continued)

This year commissioned writer Tabby Lamb and undertaken R&D for a new touring project aiming to of reach more young people with limited opportunities to engage with creative activity within our local communities. *Tuesday* will be mounted and premier at Pegasus in May 2024 with the intention to tour to community venues and schools over the following 12 months.

We relaunched our Youth Advisory Board which will embed the process of young people informing decision-making across the organisation, reflecting the interests and enthusiasm of young people, raising their confidence and aspiration, and deepening their understanding of the impact and cultural capital their voice can have. The programme will include training, mentoring sessions with Board buddies and up to two self-determined projects each year with the remit of increasing relevance and widening our reach, for example digital/social media takeovers, open day events and devising and testing a new afterschool activity.

We continued to support participation by young people who are experiencing multiple disadvantages and who have little or no access to the arts, through our free to access inclusion programme This programme offers weekly creative and drama-based sessions for young people who have been referred from schools, social services and early intervention hubs: the Looking Forward programme is geared to the needs of vulnerable young women (11-18s, two groups); and the Acting Out programme is offered to children who are experiencing a range of challenging life circumstances (8- 11s). Building on "Studio Saturday" pilot sessions in partnership with award-winning Oxford based learning disability charity Yellow Submarine in the previous year we have now established Studio Saturdays as a regular addition to this programme with creative workshops for young people with learning disabilities included music, dance, drama and puppetry. These projects offered creative activities and in-depth support to help participants build confidence and self-esteem, positively interact with their peers, make new friendships, develop new skills and get some respite from their challenging daily lives.

We aim to ensure that every young person who wants to participate at Pegasus can do so. We have maintained affordable prices across the full range of our activities; and we ensure that our courses and young companies provide supported spaces for participants who face multiple barriers to engaging with the arts, including financial barriers, physical or learning difficulties and social support needs. Some young people we worked with have complex needs, for example autism and cerebral palsy, and required enablers to accompany them to every class or rehearsal so that they can participate fully.

We have continued to embed our community engagement and build relationships within our diverse and underserved local communities, identifying currently unmet needs and collaborating with local organisations to widen and deepen engagement. Over the year this has resulted in Pegasus actively participating in local networks, including Oxfordshire Youth's Changemaker Network, increased involvement in local events such as Flo Fest and Oxford City Christmas Lights Festival and building relationships with organisations such as Oxford People's Theatre, IF Festival and Tiny Ideas Festival. We have worked with more schools this year delivering workshops in seven local primary schools for 450 pupils in conjunction with our Christmas show, The Lightbulb Princess. With secondary schools we have delivered four weeks of work experience for 40 students and also workshops for year 7 students joining Oxford Spires Academy as part of a week-long transition programme supporting 'pupil premium' students preparing to attend their new school and for Wheatley Park School students exploring 'Careers in Theatre.

The delivery of the Acting Diploma for 16-18s in partnership with Bristol School of Acting and The River Learning Trust continued with a new intake of students in September and saw a production of Life on the Edge and The Marxist in Heaven in May 23. Despite outstanding results over the past five years, this year Bristol School of Acting indicated that it was no longer financially viable to run the Acting Diploma in Oxford, and the course will be run down with the final intake of students in September 2023 completing their studies in June 2025. We are developing a new relationship with Oxford School of Drama which we hope will enable the continue use of our spaces for study by young people in the 16–18-year age range. Our long-standing partnership with Magdalen College School to support the delivery of their Theatre Academy continues to thrive and included productions of Frankenstein and The Greatest Show this year.

Our creative learning programme has seen attendances of over 9,224 across the year including daily attendance by 35 Acting Diploma students.

Over the year we welcomed audiences of over 6,500 to our show programme presenting over 100 performances on Fridays and Saturdays which included some of the most exciting companies producing work for children, young people and families.

Report of the Trustees (continued)

Financial review

The (£229,486) deficit for the year is reported after charging £170,505 depreciation to the building fund which is a non-cash movement. We are continually grateful for the support of key funding provided by the Arts Council National Portfolio status and Oxford City Council Funding. Operating spending has been reviewed and savings have been made in staffing costs and administration. However, fundraising from other sources proved very challenging this year and the cash deficit for the year of £73,542 (2023: deficit of £97,680) is the result of this.

Reserves Policy

Pegasus Theatre Trust holds reserves in order to provide business stability and to invest in its charitable and artistic activities. The Trustees review the reserve levels of the charity annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future of the charity, the uncertainty over future income streams and other key risks identified during the risk review.

This year in challenging financial circumstances the board have reviewed and assessed the risks facing the organisation and have transferred the young companies' production fund and the asset replacement fund to the general fund.

Total current funds are £2,055,815 of which £1,905,183 is the Designated Building Fund and represents the residual value of grants from Arts Council England, Southeast, The Big Lottery Fund and other donations which contributed to the capital project (2010). The fund is reduced annually by the charge for depreciation of the building.

The designated strategic reserve total at March 2024 is £115,000. This is equivalent to 9.9 weeks of current gross expenditure which is sufficient to meet contractual liabilities should the organisation have to close or cease trading for any period. This includes redundancy pay, amounts due to creditors and commitments under leases. It is the trustees' intention to maintain this designated strategic fund level at 12 weeks of current gross expenditure.

The current level of free reserves is £30,936. It is the trustees' intention to maintain this reserve between £5,000 and £25,000, as the trustees believe that this is sufficient to maintain working capital for the foreseeable future.

Investment powers and policy

Under the memorandum and articles of association, the trustees of the charity have the power to invest as they see fit in the furtherance of the charity's objectives. The trustees' investment policy is to obtain as high an income as possible with low risk. Such funds should be easily accessible given the requirement to hold liquid funds to meet cash flow demands and unexpected liabilities. The funds are therefore invested with the Co-operative and Virgin Money Banks. The investments provided a return of 0.14% in the year ended 31st March 2024.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Future plans

In the course of the coming year (2024/2025) Both Chair of the board Bob Price and CEO Polly Cole have indicated their intention to step down after seven years. It is intended that current board Members Rhys Jones and Nick Lloyd will be appointed as Joint Chair in September 2024, supported by Bob Price who will remain on the board for the last year of his eight-year term. The CEO role will be taken forward jointly by Georgia Bradley (Artistic Director) and John McCraw (Creative Learning Director). Polly Cole will provide continuity during the transition remaining with the organisation as Head of Finance and Administration.

Report of the Trustees (continued)

Over the coming year we will continue to address the financial and resourcing challenges facing the organisation We will ensure we provide value for money by investing our resources, be they time or money, efficiently, continually reviewing where we direct our resources in relation to the needs and expectations of our young audiences and wider community. We will continue our organisation development programme to bring about positive changes in the inclusivity and diversity of the theatre. We aim to embed processes that will ensure that we fully represent and reflect the diversity of the communities we serve into the future. Ever mindful of our impact on future generations we will continue to implement our environmental action plan.

In recent recruitments the board successfully increased representation of younger people and those directly working in the arts. The next priority is to bring fresh energy to the team by addressing under representation from people of the global majority and local community arts practitioners.

Structure, governance and management

Pegasus Theatre Trust is a company limited by guarantee governed by its memorandum and articles of association dated 27 March 1995 as amended by special resolution dated 7 February 1996 and 21 October 2009. It is registered as a charity with the Charity Commission from 13 May 1996. The liability of members in the event of a winding up is limited by guarantee to an amount not exceeding £1 per member. At the balance sheet date there were 7 members.

In October 2014 the company formed a subsidiary, Pegasus Theatre Productions Ltd.

Appointment of Trustees

Pegasus Theatre Trust as a registered charity is governed by a board of trustees who are also directors of the company. Details of the trustees and directors are given on page 1. Each trustee is expected to remain in office for five years and may be re-elected for one further three-year term but may not be re-elected for a further term in office unless exceptional circumstances apply. Recruitment takes place as required and is also informed by a regular skills audit to ensure the changing needs of the organisation can be supported.

All trustees have a discussion with the chair, other members of the board and executive team prior to appointment which provides a summary of the trust's development to date and its current position. The new trustees have an opportunity to discuss the issues that arise and ask any questions. New trustees also receive a written role description, details of principal responsibilities and duties, recent minutes, some historical information and the current business plan, as well as the memorandum and articles of association and most recent accounts. All trustees receive an induction, which includes meeting the wider staff team, visits to a variety of Pegasus activities, in-house mentoring and training where necessary. Any trustee who will be in unsupervised contact with young people is required to be checked through the Disclosure and Barring Service.

Organisation

The Board of Trustees administer the charity. The board meets four times a year. In November 2018 the chairs' committee was disbanded and there is two sub-committees which allow for more detailed discussion and scrutiny at separate meetings the development committee: and the finance and resources subcommittee meets four times a year prior to board meetings.

The Executive Director as Chief Executive Officer directs the strategic development and day-to-day operations of the charity with the support of the Creative Learning Director and Artistic Director.

Key Management Personnel Remuneration

The trustees consider the Board of Trustees, Chief Executive Officer, Artistic Director and Creative Learning Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 6 & 17 to the accounts.

Trustees are required to disclose all relevant interests and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises. The pay of the key management personnel is reviewed annually by the trustees to ensure that it is fair and not out of line with similar roles.

Report of the Trustees (continued)

Related Parties
Arts Council England, Southeast and Oxford City Council provide essential core funding and have nominated representation on the board as non-voting observers. Details of transactions with these organisations are provided in note 2 to the accounts.

The remainder of related parties transactions are disclosed within note 17 of the financial statements.

The charity has one wholly owned subsidiary which currently does not trade.

The chair of Pegasus Youth Board is co-opted as trustee to the board with full voting rights or as non-voting observer depending on age.

Fundraising Practice

The organisation has signed up to the Fundraising Regulator's Code of Fundraising Practice. Any direct fundraising marketing is undertaken by the executive team to ensure it is not unreasonably intrusive or persistent. All fundraising material includes details of how to unsubscribe from all future mailings or contact. There have been no complaints made regarding fundraising activity during the year.

Risk Management

The trustees are responsible for the management of risks faced by the organisation. The board carries out a formal review of the charity's risk management processes on an annual basis and the charity maintains a risk register which is regularly monitored and reviewed by the board.

The key areas of risk where management failure would carry a potential threat to the organisation have been identified as follows: failures in statutory and regulatory compliance regarding the safeguarding of young people, reductions in income generated and failing to respond to changing funding environments, exceeding organisational capacity. The management of risk and the effectiveness of all material internal controls, including operational, financial and compliance controls is ongoing and reviewed and assessed by the senior management team, and is regularly reviewed by the board.

Report of the Trustees (continued)

Statement of Trustees responsibilities

The trustees (who are also directors of Pegasus Theatre Trust for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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 Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of 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.
- observe the methods and principles in the Charities SORP.
- make judgments 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 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 Companies Act 2006. 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.

This report was approved by the Board of Directors and Trustees on **24 September 2024** and signed on its behalf by:

Bob Price

Bob Price
Director/Trustee (Chair)

Independent examiner's report to the trustees of Pegasus Theatre Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Joshua Kingston

Joshua Kingston BSc ACA
Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 24 September 2024

PEGASUS THEATRE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Restated Total Funds 2023 £
Income from:					
Donations and grants	**2**	386,001	13,158	399,159	372,524
Charitable activities	**3**	143,561	-	143,561	142,398
Investment income		612	-	612	71
Total income		530,174	13,158	543,332	514,993
Expenditure on:					
Raising funds	**4**	16,374	-	16,374	14,698
Charitable activities	**5**	746,286	10,158	756,444	773,604
Total expenditure		762,660	10,158	772,818	788,302
Net income/(expenditure) and net movement in funds	**6**	(232,486)	3,000	(229,486)	(273,309)
Total funds at start of year	**15**	2,283,605	1,696	2,285,301	2,558,610
Total funds at end of year	**15**	2,051,119	4,696	2,055,815	2,285,301

The Charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 13 to 24 form part of these financial statements
See note 8 for fund-accounting comparative figures

PEGASUS THEATRE TRUST

BALANCE SHEET

AS AT 31 MARCH 2024 **Company number: 03038190**

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	**9**	1,915,516	2,096,759
Investments	**10**	1	1
		1,915,517	2,096,760
Current assets			
Stock		978	1,190
Debtors	**11**	52,289	36,698
Cash at bank and in hand		140,939	214,481
		194,206	252,369
Liabilities			
Creditors : amounts falling due within one year	**12**	(53,908)	(63,828)
Net current assets		140,298	188,541
Net assets		2,055,815	2,285,301
FUNDS			
Unrestricted funds			
General funds	**16**	30,936	29,917
Designated funds	**16**	2,020,183	2,253,688
Restricted funds	**16**	4,696	1,696
Total funds		2,055,815	2,285,301

For the year ended 31 March 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with requirements of the Act with respect to accounting records and the preparation of the accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the trustees on 24 September 2024 and signed on their behalf by:

Beverley Joshua

Beverley Joshua
Director/Trustee

The notes on pages 13 to 24 form part of these financial statements

PEGASUS THEATRE TRUST

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2024

	Note	2024 £	2023 £
Net cash inflow from operating activities	**A.**	(74,154)	(89,490)
Non-operational cash flows:			
Investing activities			
Interest received		612	71
Fixed asset additions		-	(8,261)
		612	(8,190)
Net cash inflow/(outflow) for the year	**B.**	(73,542)	(97,680)

Notes to the Cashflow Statement

A. Reconciliation of net movement in funds to net cash inflow from operating activities

	2024 £	2023 £
Statement of Financial Activities: Net movement in funds	(229,486)	(273,309)
Investment income	(612)	(71)
Depreciation	181,243	182,344
(Increase) / Decrease in stock	212	119
(Increase) / Decrease in debtors	(15,591)	(6,215)
Increase / (Decrease) in creditors: current liabilities	(9,920)	7,642
Net cash (outflow)/inflow from operating activities	(74,154)	(89,490)

B. Analysis of changes in cash during the year

	2024 £	2023 £	Change £
Cash at bank and in hand	140,939	214,481	(73,542)

	2023 £	2022 £	Change £
Cash at bank and in hand	214,481	312,161	(97,680)

C. Cashflow Restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

The notes on pages 13 to 24 form part of these financial statements

1 Accounting policies

Accounting convention

The financial statements have been prepared in accordance with the historical cost convention (except where otherwise stated in the accounting policy note) and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Companies Act 2006.

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.

The charity is a public benefit entity as defined under FRS102.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds form part of unrestricted funds and have been identified as being for particular purposes by the Trustees. They are not restricted and can be transferred to general funds at any time at the discretion of the Trustees.

Further explanation of the nature and purpose of each fund is included in note 15 of the financial statements.

Income

Income from donations is included in income when these are receivable, except as follows:

I. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods;
II. When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the pre-conditions have been met.

Investment income is included on a receivable basis.

Donations in kind comprise donated services where the costs are measurable and the services would otherwise have to be paid for to maintain operational effectiveness.

Expenditure

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

Raising funds

Raising funds expenditure include those costs incurred in seeking voluntary contributions, costs of goods sold and other costs which include the costs of running and participating in fundraising events and collections and cost of goods purchased for resale.

1 Accounting policies *(continued)*

Charitable Activities

Grants awarded are allocated to charitable activities.

Grants awarded are treated as expenditure and a liability in the accounts as soon as they become legal or constructive obligations. In the case of multi-year grant awards, the funding for all years is immediately recognised unless there are conditions which need to be met by the recipient to enable the release of subsequent years' funding.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. Governance costs are included within support costs.

Allocation and apportionment costs

Certain expenditure is directly attributable to specific activities and this has been included in those cost categories. Other costs, which are attributable to more than one category, are apportioned across cost categories on the basis of an assessment of workload carried out from time to time.

Overhead support costs have been allocated between fundraising and publicity costs, fundraising trading and charitable activities. The apportionment has been allocated on the basis of usage and is analysed in notes 4 & 5.

Tangible fixed assets

Fixed assets are held at cost less accumulated depreciation. Assets costing less than £300 are not capitalised. The company has built a new theatre which was commissioned in May 2010. Costs are directly connected with the construction of the new theatre including architects' fees. Structural engineers' costs and direct project management costs have been capitalised.

Depreciation is calculated so as to write off the cost of an asset, less its estimated ultimate residual value, over the useful life of that asset as follows:

Fixtures, fittings and equipment	4 years
Building	25 years

Stock

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

Donated items are not valued in stock and recognised in income only when sold.

Debtors

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

Bank

Cash at bank and cash in hand includes cash and short term highly liquid investments with short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1 Accounting policies (continued)

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension schemes. Contributions payable to the charity's pension schemes are charged to the Statement of Financial Activities in the period to which they relate.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and 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.

Going Concern

The Trustees consider that there are no material uncertainties affecting the ability of the charity to continue as a going concern. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 Income from: Donations and grants

Core Grants	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Oxford City Council	20,000	-	20,000
Arts Council England South-East	305,489	-	305,489
	325,489	-	325,489

Public grants	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Oxfordshire County Council	-	7,658	7,658
	-	7,658	7,658

Other grants and donations	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Garfield Weston Foundation	30,000	-	30,000
PF Charitable Trust	5,000	-	5,000
Mr and Mrs JA Pye's Charitable Settlement	6,667	-	6,667
The Helen Hamlyn Trust	12,500	-	12,500
The Weinstock Fund	-	2,500	2,500
The Souter Charitable Trust	-	3,000	3,000
Donations from Individuals	6,345	-	6,345
	60,512	5,500	66,012
	386,001	13,158	399,159

2 Income from: Donations and grants - continued

Prior year comparative (2022-23)

Core Grants	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Oxford City Council	20,000	-	20,000
Arts Council England South-East	305,493	-	305,493
	325,493	-	325,493

Public grants	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Oxfordshire County Council	-	6,902	6,902
Oxford City Council	-	1,700	1,700
	-	8,602	8,602

Prior Year comparative	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Mr and Mrs JA Pye's Charitable Settlement	10,000	-	10,000
Cecil Pilkington Charitable Trust	6,500	-	6,500
The Helen Hamlyn Trust	10,000	-	10,000
The Weinstock Fund	-	2,500	2,500
The Art Society Oxford	-	2,000	2,000
Donations from Individuals	7,429	-	7,429
	33,929	4,500	38,429
	359,422	13,102	372,524

3 Income from: Charitable activities

	Total Funds 2024 £	Total Funds 2023 £
Ticket sales	39,358	43,158
Participation fees	27,342	34,589
Facilities hire	3,571	2,450
Hire fees (performances)	1,200	1,105
Cafe Bar sales	3,425	3,197
Miscellaneous	709	1,590
Sponsorship	51,758	50,777
Theatre tax relief	16,198	5,532
	143,561	142,398

All income from charitable activities received in the current and prior year was unrestricted.

4 Expenditure on: Raising funds

	Total Funds 2024 £	Total Funds 2023 £
Direct costs	14,875	13,114
Support costs	1,499	1,584
	16,374	14,698

5 Expenditure on: Charitable activities

	Direct Costs £	Support Costs £	Total Funds 2024 £
Programme	88,826	40,591	129,417
Producing	64,708	33,275	97,983
Participation	165,627	32,582	198,209
Administration	58,511	2,081	60,592
Premises/Front of House	69,867	11,601	81,468
Depreciation	-	181,243	181,243
Governance costs	5,649	1,883	7,532
	453,188	303,256	756,444

5 Expenditure on: Charitable activities - continued

RESTATED Prior year comparative (2022-23)	Direct Costs £	Support Costs £	Total Funds 2023 £
Programme	99,650	44,742	144,392
Producing	58,028	42,529	100,557
Participation	144,774	41,457	186,231
Administration	66,741	2,016	68,757
Premises/Front of House	65,839	20,155	85,994
Depreciation	-	182,344	182,344
Governance costs	3,227	2,102	5,329
	438,259	335,345	773,604

6 Net income/(expenditure) for the year

This is stated after charging:

		2024 £	2023 £
Independent examiner's fee	- for independent examination services	2,850	2,650
	- for other services	375	350
Trustees' travel, meeting and training expenses		10	-
Depreciation		181,243	182,344

1 Trustee (2023: None) has been reimbursed for their out of pocket travel expenses of £96 (2023: £Nil). No Trustee received any remuneration during the current or prior year.

7 Staff costs and numbers

The aggregate payroll costs were:

	2024 £	2023 £
Wages & salaries	281,733	310,654
Social security costs	20,107	21,940
Pension contributions	8,155	7,895
Redundancy payments	1,432	-
	311,427	340,489

No employee received emoluments of more than £60,000.

The average weekly number of employees during the year was 12 (2023: 13), calculated on the basis of average headcount. The total employment benefits received by key management personnel including employer national insurance and employer pension were £145,894 (2023: £124,055).

The charity considers its key management personnel comprise: Executive Director - Chief Executive, Artistic Director, Creative Learning Director.

8 Statement of Financial Activities comparative figures

RESTATED For the year ended 31 March 2023	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Income from:			
Donations and grants	359,422	13,102	372,524
Charitable activities	142,398	-	142,398
Interest income	71	-	71
Total income	501,891	13,102	514,993
Expenditure on:			
Raising funds	14,698	-	14,698
Charitable activities	735,432	38,172	773,604
Total expenditure	750,130	38,172	788,302
Net income/(expenditure) for the year and net movement in funds	(248,239)	(25,070)	(273,309)
Total funds at start of year	2,531,844	26,766	2,558,610
Total funds at end of year	2,283,605	1,696	2,285,301

9 Tangible fixed assets

	Building £	Fixtures and new theatre equipment £	Fittings and equipment £	Total £
Cost or valuation				
At 1 April 2023	4,262,613	398,882	72,310	4,733,805
At 31 March 2024	4,262,613	398,882	72,310	4,733,805
Depreciation				
At 1 April 2023	2,186,925	398,882	51,239	2,637,046
Charge for the year	170,505	-	10,738	181,243
At 31 March 2024	2,357,430	398,882	61,977	2,818,289
Net book value				
At 31 March 2024	1,905,183	-	10,333	1,915,516
At 31 March 2023	2,075,688	-	21,071	2,096,759

10 Investments

	Shares in subsidiary undertakings
Cost	
At 1 April 2023	1
At 31 March 2024	1

The investment is made up of 100% of the share capital of Pegasus Theatre Productions Limited. Consolidated accounts have not been prepared as Pegasus Theatre Productions Limited was dormant throughout the whole period.

11 Debtors

	2024	2023
Due in less than one year:	**£**	£
Prepayments and accrued income	52,289	36,698
	52,289	36,698

12 Creditors

	2024	2023
Amounts falling due within one year:	**£**	£
Trade creditors	13,375	20,024
Accruals	10,367	6,541
Deferred income	5,765	14,792
Amounts owed to group undertakings	1	1
Tax and social security	12,512	9,819
Other creditors	11,888	12,651
	53,908	63,828

13 Operating leases

At 31 March the organisation had no commitments under non-cancellable operating leases.

14 Contingent liabilities

The Charity has provided a legal debenture over the property as valuable security in connection with the £2,700,000 grant from Arts Council, England. No provision has been made in respect of the grant or any other capital grant as the conditions attached are deemed unlikely to occur.

The Charity has provided a legal charge over the property as valuable security in connection with the £1,850,000 grant from the Big Lottery Fund. No provision has been made in respect of the grant or any other capital grant as the conditions attached are deemed unlikely to occur.

15 Movement in funds

For the year ended 31 March 2024

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
Restricted funds					
Oxfordshire County (ENB)	-	7,658	(7,658)	-	-
Oxford City Council (DC)	1,488	-	-	-	1,488
Weinstock Fund	208	2,500	(2,500)	-	208
Souter Charitable Trust	-	3,000	-	-	3,000
	1,696	13,158	(10,158)	-	4,696
Unrestricted funds					
General funds	29,917	530,174	(592,155)	63,000	30,936
Designated funds:					
Strategic reserve	146,000	-	-	(31,000)	115,000
Asset replacement fund	22,000	-	-	(22,000)	-
Young Companies' Production fund	10,000	-	-	(10,000)	-
Building fund	2,075,688	-	(170,505)	-	1,905,183
	2,283,605	530,174	(762,660)	-	2,051,119
Total funds	2,285,301	543,332	(772,818)	-	2,055,815

Fund Descriptions

Restricted Funds:

Oxfordshire County (ENB) - Funds to support the participant enablers.
Oxford City Council (DC) - Funds to support the delivery of Dawn Chorus project.
Oxford City Council (LF) - Funds to support Light Festival projects.
D'Oyle Carte - Funds to support the delivery of the creative learning programme.
Lottery Community Fund - Funds to support the delivery of Looking Forward & Acting Out.
Weinstock Fund - Funds to support access needs for young participants.
The Big Give (Dec 21) - Donations towards the delivery of Looking Forward & Acting Out.
Doris Field Charitable Trust - Funds to support the creative learning programme.
The Arts Society - Funds to support the delivery of Acting Out Summer project.
Souter Charitable Trust - Funds to support boxes community tour.

15 Movement in funds *(continued)*

Designated Funds:

Strategic reserve - Stands at £115,000. This fund holds 12 weeks of budgeted expenditure, which is sufficient to meet contractual liabilities should the organisation close or cease trading. Transfers of (£31,000) represents reduction in annual gross expenditure.

The board have reviewed and assessed the risks facing the organisation and have transferred the young companies' production fund and the asset replacement fund to the general fund.

Building fund - Represents the residual value of grants from Arts Council England, Southeat, The Big Lottery Fund and other donations which contributed to the capital project (2010). The fund is reduced annually by the charge for depreciation of the building.

For the year ended 31 March 2023

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
Restricted funds					
Oxfordshire County (ENB)	-	6,902	(6,902)	-	-
Oxford City Council (DC)	1,488	-	-	-	1,488
Oxford City Council (LF)	-	1,700	(1,700)	-	-
D'Oyle Carte	3,000	-	(3,000)	-	-
Lottery Community Fund	8,000	-	(8,000)	-	-
Weinstock Fund	208	2,500	(2,500)	-	208
The Big Give (Dec 21)	13,070	-	(13,070)	-	-
Doris Field Charitable Trust	1,000	-	(1,000)	-	-
The Arts Society	-	2,000	(2,000)	-	-
	26,766	13,102	(38,172)	-	1,696
RESTATED					
Unrestricted funds					
General funds	49,468	501,891	(579,626)	58,184	29,917
Designated funds:					
Strategic reserve	154,184	-	-	(8,184)	146,000
Asset replacement fund	52,000	-	-	(30,000)	22,000
Young Companies' Production fund	30,000	-	-	(20,000)	10,000
Building fund	2,246,192	-	(170,504)	-	2,075,688
	2,531,844	501,891	(750,130)	-	2,283,605
Total funds	2,558,610	514,993	(788,302)	-	2,285,301

16 Analysis of net assets between funds

As at 31 March 2024	Restricted Funds	Unrestricted Designated Funds	Unrestricted General Funds	Total
	£	£	£	£
Tangible fixed assets	-	1,905,183	10,333	1,915,516
Other net assets	4,696	115,000	20,603	140,299
	4,696	2,020,183	30,936	2,055,815

As at 31 March 2023	Restricted Funds	Unrestricted Designated Funds	Unrestricted General Funds	Total
	£	£	£	£
Tangible fixed assets	-	2,075,688	21,071	2,096,759
Other net assets	1,696	178,000	8,846	188,542
	1,696	2,253,688	29,917	2,285,301

17 Related party transactions

Pegasus Theatre Trust has a related party relationship with Rhys Jones, a partner in Morgan & West Production Company (Partnership).

During the year, the Charity received receipts of £nil, but paid £6,540 for Morgan & West's Great Big Christmas Magic Show in December 2023 direct to Morgan & West, and £1,702 for Morgan & West's Massive Magic Show for Kids! In September 2023 via booking promotor makin projects.

At the end of the period, £nil was due from Morgan & West and £nil was held within creditors as an amount accrued to Morgan & West.

There were no further related party transactions in the year or prior year other than recorded elsewhere in the accounts.

PEGASUS THEATRE TRUST

England & Wales - Charity number 1055305

Accounts

PEGASUS THEATRE TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2023

Company No: 03038190

Charity No: 1055305

Report of the Trustees

The Trustees present their report and the audited financial statements of the charity for the year ended 31st March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

J Coller	(Appointed 27 October 2023)
G L Geary	(Resigned 28 June 2022)
E Havard	(Resigned 26 October 2022)
R Jones	(Appointed 27 October 23)
B J Joshua	
N Lloyd	
E MacDonald	
T Page	(Appointed 8 December 2022)
R Price	
S Sansom	(Resigned 26 October 2022)

Reference and Administrative Details

Chief Executive Officer	AH Cole
Company Number	03038190
Charity Number	1055305
Registered Office & Business address	Pegasus Theatre Trust Magdalen Road Oxford OX4 1RE
Principal bankers	Co-operative Bank plc P O Box 250 Skelmersdale WN8 6WT
Independent examiners	Joshua Kingston BSc ACA Burton Sweet Limited Chartered Accountants The Clock Tower 5 Farleigh Court Old Weston Road Flax Bourton Bristol BS48 1UR

Report of the Trustees (continued)

Objectives and activities

The objects of the company, as stated in its memorandum of association, are to advance the education of the public in the practice and appreciation of the arts, in particular, but not exclusively, for the benefit of children and young people.

Mission

Young people are the life force of Pegasus.
We provide the inspiration for journeys filled with creative opportunity, aspiration and imagination. Through listening and responding to the needs, ideas and energy of all those who find a home within it, Pegasus is a pioneering force creating the present, challenging and shaping the future and making an enduring impact on the vitality of the performing arts locally, regionally and nationally.

Vision

We will be recognised as a pioneering force in the performing arts with our work for, by and with young people providing outstanding opportunities for them to experience and create in the present, challenge and shape the future and make an enduring impact on the vitality of the performing arts locally, regionally and nationally.

The continual development of our artistic and organisational ambition will be shaped by listening and responding to the needs, ideas and energy of all those who find a home with us and informed by the creativity, skills and talents we will nurture in young people and staff alike.

Whilst recognising the needs and expectations of each young person who engages with us will vary, we will provide the space and support to enable young people to embark on individual journeys of personal growth filled with creative opportunity, aspiration and imagination.

We will be bold in our approach to securing a sustainable future for the organisation, reach out to partners who can support us, be nimble and adaptable to the ever-changing environment that surrounds us and ensure the choices we make enable us to work in innovative, viable and inspiring ways.

We will be at the heart of the communities we serve and foster a sense of belonging that encourages people of all ages, backgrounds and cultures to experience together outstanding creative experiences that are vibrant, urgent and exciting.

Public Benefit Statement

The Trustees consider that, having paid due regard to the public benefit guidance published by the Charity Commission, they have complied with the duty placed upon them in section 17(5) of the Charities Act 2011.

Achievements and performance

Continuing our focus on providing creative opportunities for young people and their families we have built on our ability to flex our operating model, gathered wider opinion from our community to develop a programme that is continually responsive to the needs and interests of our audiences. We have over the year worked with project partners with shared ambitions to bring an impactful range of opportunities to our programme. Our staff team continues to adapt with Artistic Director, Georgia Bradley who joined us in July, the establishment the new role of Community Engagement Manager and the restructuring of roles within our front of house team this year.

We have maintained our commitment to providing inspiring and high-quality projects for children, young people and their families. Our weekly classes, projects and young companies offer opportunities for young people to create and share their own work and in-depth support helps their development in performance skills and creative thinking, in turn building confidence, self-esteem, problem solving and communication skills. In the context of shrinking opportunities for arts and culture education in our schools, this role has never been more important.

Our two year-long young companies (11-15 and 16-25) have provided skills development, stage craft and performance opportunities culminating in successful public productions. We have also provided theatre technical skills development and training for young people through a technical young company (14-18s) which worked alongside our other young companies on their annual productions. The 11-15 Young Company

Report of the Trustees (continued)

worked throughout the year towards their production of Heavy Weather with public performances in July 22. The 16-25 Young Company presented The Government Inspector, in December.

We continued to support participation by young people who are experiencing multiple disadvantages and who have little or no access to the arts, through our free to access inclusion programme This programme offers weekly creative and drama-based sessions for young people who have been referred from schools, social services and early intervention hubs: the Looking Forward programme is geared to the needs of vulnerable young women (11-18s, two groups); and the Acting Out programme is offered to children who are experiencing a range of challenging life circumstances (8- 11s). These projects offered creative activities and in-depth support to help participants build confidence and self-esteem, positively interact with their peers, make new friendships, develop new skills and get some respite from their challenging daily lives.

We aim to ensure that every young person who wants to participate at Pegasus can do so. We have maintained affordable prices across the full range of our activities; and we ensure that our courses and young companies provide supported spaces for participants who face multiple barriers to engaging with the arts, including financial barriers, physical or learning difficulties and social support needs. Some young people we worked with have complex needs, for example autism and cerebral palsy, and required enablers to accompany them to every class or rehearsal so that they can participate fully.

In June 2022, we welcomed our first Community Engagement Manager and increased our capacity to build relationships within our diverse and underserved local communities, identifying currently unmet needs and collaborating with local organisations to widen and deepen engagement. Over the year this has resulted in Pegasus actively participating in local networks, including Oxfordshire Youth's Changemaker Network, increased involvement in local events such as Flo Fest and Oxford City Christmas Lights Festival and building relationships with organisations such as Damascus Rose Kitchen, a social enterprise supporting refugee women, Imperfect Bound, a queer zine collective, and youth clubs in Rose Hill and Barton, areas experiencing multiple disadvantages. We collaborated on a series of "Studio Saturday" pilot sessions in partnership with award-winning Oxford based learning disability charity Yellow Submarine. These creative workshops for young people with learning disabilities included music, dance, drama and puppetry.

The delivery of the Acting Diploma for 16-18s in partnership with Bristol School of Acting and The River Learning Trust continued with a new intake of students in September and saw a production of Her Naked Skin in July 22. Our long-standing partnership with Magdalen College School to support the delivery of their Theatre Academy included productions of Julius Caesar and Porridge this year.

Our creative learning programme has seen attendances of over 6,300 across the year alongside daily attendance by 35 Acting Diploma students.

Over the year we welcomed audiences of over 7,000 to our show programme presenting over 110 performances on Fridays and Saturdays which included some of the most exciting companies producing work for children, young people and families. The programme included increasing representation of work from global majority and disability-led companies sourced through existing relationships with companies such as Tangle Theatre and BLINK dance and new relationships developed through networks such as house and the children and young people programming network.

Financial review

The (£273,309) deficit for the year is reported after charging £170,504 depreciation to the building fund which is a non-cash movement. This year we were successful in securing Arts Council National Portfolio status and funding for the next four years 23-26 period and Oxford City Council Funding for 22-25. However, fundraising from other sources proved difficult and the cash deficit for the year of £97,680 (2022 deficit £52,802) is the result of this.

Reserves Policy

Pegasus Theatre Trust holds reserves in order to provide business stability and to invest in its charitable and artistic activities. The Trustees review the reserve levels of the charity annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future of the charity, the uncertainty over future income streams and other key risks identified during the risk review.

Report of the Trustees (continued)

Total current funds are £2,285,301 of which £2,075,688 is the Designated Building Fund and represents the residual value of grants from Arts Council England, Southeast, The Big Lottery Fund and other donations which contributed to the capital project (2010). The fund is reduced annually by the charge for depreciation of the building.

The Trustees have established that in addition to the general free reserves, there would be three additional designated reserve funds - the strategic fund, the asset replacement fund and the Young Companies' production fund.

The designated strategic reserve total at March 2023 is £146,000. This is equivalent to 12 weeks of current gross expenditure which is sufficient to meet contractual liabilities should the organisation have to close or cease trading for any period. This includes redundancy pay, amounts due to creditors and commitments under leases. It is the trustees' intention to maintain this designated strategic fund level at 12 weeks of current gross expenditure.

The designated asset replacement fund total at March 2023 is £22,000 for essential maintenance to the now 10-year-old building.

The Young Companies' production fund currently stands at £10,000. This fund can be used over the period of the current five-year business plan, to underwrite Young Company productions at times when other sources of funding may be difficult to secure.

The current level of free reserves is £8,845 and the trustees believe that this is sufficient to maintain working capital for the foreseeable future. It is the trustees' intention to maintain this reserve between £5,000 and £25,000.

Investment powers and policy

Under the memorandum and articles of association, the trustees of the charity have the power to invest as they see fit in the furtherance of the charity's objectives. The trustees' investment policy is to obtain as high an income as possible with low risk. Such funds should be easily accessible given the requirement to hold liquid funds to meet cash flow demands and unexpected liabilities. The funds are therefore invested with the Co-operative and Virgin Money Banks. The investments provided a return of 0.14% in the year ended 31st March 2023.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Future plans

In the course of the coming year (2023/24) we are planning to invest in an organisation development programme to bring about positive changes in the inclusivity and diversity of the theatre. We aim to embed processes that will ensure that we fully represent and reflect the diversity of the communities we serve into the future. We will ensure we provide value for money by investing our resources, be they time or money, efficiently, continually reviewing where we direct our resources in relation to the needs and expectations of our young audiences and wider community. Ever mindful of our impact on future generations we will continue to implement our environmental action plan.

In recent recruitments the board successfully increased representation of younger people and those directly working in the arts. The next priority is to bring fresh energy to the team by addressing under representation from people of the global majority and local community arts practitioners.

We will relaunch our Youth Advisory Board which will embed the process of young people informing decision-making across the organisation, reflecting the interests and enthusiasm of young people, raising their confidence and aspiration, and deepening their understanding of the impact and cultural capital their voice can have. The programme will include training, mentoring sessions with Board buddies and up to two self-

Report of the Trustees (continued)

determined projects each year with the remit of increasing relevance and widening our reach, for example digital/social media takeovers, open day events and devising and testing a new afterschool activity.

With the aim of reaching more young people with limited opportunities to engage with creative activity within our local communities we will develop new offsite projects that directly respond to an expressed need or interest. We will commission a writer and undertake R&D for a new school touring project. As part of our commitment to support early career opportunities in the arts, in 2021 we established a two-year full-time Trainee Programmer role for school leavers/non university graduates, supporting career development with mentoring, training, skills development and networking. The first post-holder has had a successful two years and we will be recruiting a new Trainee Programmer in 2023/24.

Structure, governance and management

Pegasus Theatre Trust is a company limited by guarantee governed by its memorandum and articles of association dated 27 March 1995 as amended by special resolution dated 7 February 1996 and 21 October 2008. It is registered as a charity with the Charity Commission from 13 May 1996. The liability of members in the event of a winding up is limited by guarantee to an amount not exceeding £1 per member. At the balance sheet date there were 7 members.

In October 2014 the company formed a subsidiary, Pegasus Theatre Productions Ltd.

Appointment of Trustees

Pegasus Theatre Trust as a registered charity is governed by a board of trustees who are also directors of the company. Details of the trustees and directors are given on page 1. Each trustee is expected to remain in office for five years and may be re-elected for one further three-year term but may not be re-elected for a further term in office unless exceptional circumstances apply. Recruitment takes place as required and is also informed by a regular skills audit to ensure the changing needs of the organisation can be supported.

All trustees have a discussion with the chair, other members of the board and executive team prior to appointment which provides a summary of the trust's development to date and its current position. The new trustees have an opportunity to discuss the issues that arise and ask any questions. New trustees also receive a written role description, details of principal responsibilities and duties, recent minutes, some historical information and the current business plan, as well as the memorandum and articles of association and most recent accounts. All trustees receive an induction, which includes meeting the wider staff team, visits to a variety of Pegasus activities, in-house mentoring and training where necessary. Any trustee who will be in unsupervised contact with young people is required to be checked through the Disclosure and Barring Service.

Organisation

The Board of Trustees administer the charity. The board meets four times a year. In November 2018 the chairs' committee was disbanded and there is two sub-committees which allow for more detailed discussion and scrutiny at separate meetings the development committee: and the finance and resources subcommittee meets four times a year prior to board meetings.

The Executive Director as Chief Executive Officer directs the strategic development and day-to-day operations of the charity with the support of the Creative Learning Director and Artistic Director.

Key Management Personnel Remuneration

The trustees consider the Board of Trustees, Chief Executive Officer, Artistic Director and Creative Learning Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 7 & 19 to the accounts.

Trustees are required to disclose all relevant interests and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises. The pay of the key management personnel is reviewed annually by the trustees to ensure that it is fair and not out of line with similar roles.

Related Parties

Report of the Trustees (continued)

Arts Council England, Southeast and Oxford City Council provide essential core funding and have nominated representation on the board as non-voting observers.
Details of transactions with these organisations are provided in note 19 to the accounts. The charity has one wholly owned subsidiary which currently does not trade.

The chair of Pegasus Youth Board is co-opted as trustee to the board with full voting rights or as non-voting observer depending on age.

Fundraising Practice

The organisation has signed up to the Fundraising Regulator's Code of Fundraising Practice. Any direct fundraising marketing is undertaken by the executive team to ensure it is not unreasonably intrusive or persistent. All fundraising material includes details of how to unsubscribe from all future mailings or contact. There have been no complaints made regarding fundraising activity during the year.

Risk Management

The trustees are responsible for the management of risks faced by the organisation. The board carries out a formal review of the charity's risk management processes on an annual basis and the charity maintains a risk register which is regularly monitored and reviewed by the board.

The key areas of risk where management failure would carry a potential threat to the organisation have been identified as follows: failures in statutory and regulatory compliance regarding the safeguarding of young people, reductions in income generated and failing to respond to changing funding environments, exceeding organisational capacity. The management of risk and the effectiveness of all material internal controls, including operational, financial and compliance controls is ongoing and reviewed and assessed by the senior management team, and is regularly reviewed by the board.

Statement of Trustees responsibilities

The trustees (who are also directors of Pegasus Theatre Trust for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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 Accepted Accounting Practice).
Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of 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.
- observe the methods and principles in the Charities SORP.
- make judgments 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 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 Companies Act 2006. 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.

This report was approved by the Board of Directors and Trustees on **26 September 2023** and signed on its behalf by:

Bob Price
Director/Trustee (Chair)

Independent examiner's report to the trustees of Pegasus Theatre Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Joshua Kingston BSc ACA
Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 26/09/2023

Statement of Financial Activities *(Incorporating an Income and Expenditure Account)*

	Note	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Income from:					
Grants and donations	2	359,422	13,102	**372,524**	461,310
Charitable activities	3	142,398	-	**142,398**	117,634
Total income		501,820	13,102	**514,922**	578,944
Expenditure on:					
Raising funds	4	14,698	-	**14,698**	39,590
Charitable activities	5	735,361	38,172	**773,533**	722,664
Total expenditure		750,059	38,172	**788,231**	762,254
Net income / (expenditure)	6	(248,239)	(25,070)	**(273,309)**	(183,310)
Transfers	17	-	-	-	-
Net movement in funds	17	(248,239)	(25,070)	**(273,309)**	(183,310)
Total funds at 1 April 2022	17	2,531,844	26,766	**2,558,610**	2,741,919
Total funds at 31 March 2023	17	2,283,605	1,696	**2,285,301**	2,558,610

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 11 to 22 form part of these financial statements.

Prior year fund comparatives are contained in note 8.

Balance Sheet at 31 March 2023

Company No: 03038190

	Note	£	2023 £	2022 £
Fixed Assets				
Tangible Fixed Assets	10	2,096,759		2,270,842
Investments	11	1		1
			2,096,760	2,270,843
Current Assets				
Debtors	12	36,698		30,483
Stock	13	1,190		1,309
Cash at Bank and in Hand		214,481		312,161
			252,369	343,953
Creditors: Amounts Due Within 1 Year	14		**(63,828)**	(56,186)
Net Current Assets			**188,541**	287,767
Net Assets			**2,285,301**	2,558,610
Funds				
Restricted Funds	18		**1,696**	26,766
Unrestricted Funds	18		**2,283,605**	2,531,844
Total Funds			**2,285,301**	**2,558,610**

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved and authorised for issue by the Board of Directors on **26 September 2023** and signed on its behalf by

Bob Price
Director/Trustee

The notes on pages 11 to 22 form part of these financial statements.

Statement of Cash Flows

			2023	2022
			£	£
Net cash inflow from operating activities	**Notes**	**A**	(89,349)	(27,975)
Non - operational cashflows:				
Cash flows from investing activities				
Interest received			(71)	(16)
Acquisition of tangible fixed assets			(8,260)	(24,811)
Net cash outflow for the year	**Notes**	**B**	(97,680)	(52,802

Notes to the Cashflow Statement

A. Reconciliation of net movement in funds to net cash inflow from operating activities

			2023	2022
			£	£
Net movement in funds	**Notes**	**C**	(273,309)	(183,309)
Interest received			71	16
(Increase)/decrease in debtors			(6,215)	(10,448)
(Increase)/decrease in stock			119	75
Increase/(decrease) in creditors			7,642	(16,520)
Depreciation			182,343	182,211
Net cash inflow from operating activities			(89,349)	(27,975)

B. Analysis of changes in cash during the year

	2023	2022	Change
	£	£	£
Cash at bank and in hand	214,481	312,161	**(97,680)**

	2022	2021	Change
	£	£	£
Cash at bank and in hand	312,161	364,963	**(52,802)**

C. Cashflow restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cashflows for the year.

The notes on pages 11 to 22 form part of these financial statements.

Notes to the financial statements

1. Summary of accounting policies

1.01 General information and basis for preparation

The financial statements have been prepared in accordance with the historical cost convention (except for investments which have been included at fair value) and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 (or Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

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.

The charity is a public benefit entity as defined under FRS 102.

1.02 Funds

Unrestricted funds 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 cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.03 Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

The charity receives government grants via Arts Council England and Oxford City Council. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred. Investment income is all earned from cash holdings in bank deposit accounts. Other income includes gains on disposals of tangible fixed assets.

Notes to the financial statements

1.04 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising grants and donations include salaries, the cost of fundraising events and promotional material.

Expenditure on charitable activity includes production costs, fees paid for received programme, costs in relation to delivery of the participation programme and all other costs directly connected with activity the charity undertakes.

1.05 Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Overheads have been allocated on a per capita basis. The analysis of these costs is included in note 5.

1.06 Tangible fixed assets

These are included at cost less accumulated depreciation. All fixed assets over £300 are capitalised. The company has built a new theatre which was commissioned in May 2010. Costs directly connected with the construction of the new theatre including architects' fees, structural engineers' costs and direct project management costs have been capitalised. Depreciation is calculated to write off their cost over their expected useful lives as follows:

Fixtures, fittings and equipment	4 years
Building	25 years

1.07 Debtors

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

1.08 Stock

Stock is included at the lower of cost or net realisable value. Stock consists of purchased goods for resale.

1.09 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.

1.10 Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.11 Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

Notes to the financial statements

1.12 Pension costs

The company operates a defined contribution pension scheme. The pension costs charged in the SoFA represent the contributions payable by the company during the year.

1.13 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and 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.

1.14 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Income from grants and donations

Core grants	Unrestricted £	Restricted £	2023 Total £
Oxford City Council	20,000	-	**20,000**
Arts Council England South-East	305,493	-	**305,493**
	325,493	**-**	**325,493**

Public grants	Unrestricted £	Restricted £	2023 Total £
Oxfordshire County Council	-	6,902	**6,902**
Oxford City Council	-	1,700	**1,700**
	-	**8,602**	**8,602**

Other grants and donations	Unrestricted £	Restricted £	2023 Total £
Mr and Mrs JA Pye's Charitable Settlement	10,000	-	**10,000**
Cecil Pilkington Charitable Trust	6,500	-	**6,500**
The Helen Hamlyn Trust	10,000	-	**10,000**
The Weinstock Fund	-	2,500	**2,500**
The Arts Society Oxford	-	2,000	**2,000**
Donations from Individuals	7,429	-	**7,429**
	33,929	**4,500**	**38,429**
	359,422	**13,102**	**372,524**

Notes to the financial statements

2. **Income from grants and donations – continued**

Prior year comparison (2021-22)

Core grants	Unrestricted £	Restricted £	**2022 Total £**
Oxford City Council	24,000	-	**24,000**
Arts Council England South-East	305,493	-	**305,493**
Covid-19 JRS Scheme Grant	4,608	-	**4,608**
	334,101	-	**334,101**

Public grants	Unrestricted £	Restricted £	**2022 Total £**
Oxfordshire County Council	-	1,695	**1,695**
Oxford City Council	-	250	**250**
BBC Children in Need	-	17,876	**17,876**
Arts Council, Cultural Recovery	-	20,686	**20,686**
	-	**40,507**	**40,507**

Other grants and donations	Unrestricted £	Restricted £	**2022 Total £**
Garfield Weston Foundation	13,750	-	**13,750**
PF Charitable Trust	4,167	-	**4,167**
Mr and Mrs JA Pye's Charitable Settlement	10,000	-	**10,000**
Cecil Pilkington Charitable Trust	2,500	-	**2,500**
Doris Field Trust		1,000	**1,000**
The Helen Hamlyn Trust	10,000	-	**10,000**
The Barnsbury Charitable Trust	-	1,000	**1,000**
Four Acre Trust	-	3,000	**3,000**
Lottery Community Fund	-	10,000	**10,000**
The Weinstock Fund	-	2,500	**2,500**
The Souldern Trust	500	-	**500**
The D'Oyly Carte Trust	-	3,000	**3,000**
Photo Oxford	-	1,265	**1,265**
Donations – Corporate	290	3,200	**3,490**
Donations from Individuals	13,160	7,370	**20,530**
	54,367	**32,335**	**86,702**
	388,468	**72,842**	**461,310**

Notes to the financial statements

3. Income from charitable activities

Theatre and arts education activity	Unrestricted £	Restricted £	**2023 Total £**
Ticket sales	43,158	-	**43,158**
Participation fees	34,589	-	**34,589**
Facilities hire	2,450	-	**2,450**
Hire fees (performances)	1,105	-	**1,105**
Cafe Bar sales	3,197	-	**3,197**
Miscellaneous	1,590	-	**1,590**
Sponsorship	50,777	-	**50,777**
Theatre tax relief	5,532	-	**5,532**
	142,398	-	**142,398**

Prior year comparison (2021/2022)

Theatre and arts education activity	Unrestricted £	Restricted £	**2022 Total £**
Ticket sales	17,445	-	**17,445**
Participation fees	29,667	-	**29,667**
Facilities hire	1,192	-	**1,192**
Hire fees (performances)	600	-	**600**
Cafe Bar sales	819	-	**819**
Miscellaneous	10,416	-	**10,416**
Sponsorship	51,964	315	**52,279**
Theatre tax relief	5,216	-	**5,216**
	117,319	315	**117,634**

4. Expenditure on raising funds

	2023 Total £	2022 Total £
Direct costs	**13,114**	37,913
Support costs	**1,584**	1,677
	14,698	39,590

5. Expenditure on charitable activities

	Direct costs £	Support costs £	**2023 Total £**
Programme	99,650	44,742	**144,392**
Producing	58,028	42,529	**100,557**
Participation	144,774	41,457	**186,231**
Administration	66,741	1,945	**68,686**
Premises/ Front of House	65,839	20,155	**85,994**
Depreciation	-	182,344	**182,344**
Governance costs	3,227	2,102	**5,329**
	438,259	335,274	**773533**

Notes to the financial statements

5. Expenditure on charitable activities (continued)

Prior year comparison (2021/2022)	Direct costs £	Support costs £	2022 Total £
Programme	60,969	35,561	**96,530**
Producing	78,404	35,561	**113,965**
Participation	110,895	36,725	**147,620**
Administration	66,457	2,140	**68,597**
Premises/ Front of House	83,632	21,079	**104,711**
Depreciation	-	182,211	**182,211**
Governance costs	6,597	2,433	**9,030**
	406,954	315,710	**722,664**

6. Net income/(expenditure)

This is stated after charging:	2023 £	2022 £
Independent examiner's fee	**2,650**	5,600
Depreciation	**182,344**	182,211

7. Staff costs and numbers

Staff costs were as follows:	2023 £	2022 £
Wages and salaries	**310,654**	287,272
Employer's National Insurance	**21,940**	20,251
Employer's pension contributions	**7,895**	7,817
	340,489	315,340

No employee earned more than £60,000 during the year.

	2023 No.	2022 No.
Average number (headcount) of employees	**13**	13

The total number of staff at the year-end was 13.

The total amount of employee benefits received by key management personnel is £124,055. (2022: £129,116). The charity considers its key management personnel comprise:

Executive Director - Chief Executive
Artistic Director
Creative Learning Director

No trustee received remuneration or claimed expenses in the current or prior year. Expenses waived during the year were £nil (2022 - £0).

Notes to the financial statements

8. Prior year comparatives – Statement of Financial Activities

	Unrestricted £	Restricted £	2022 Total £
Income from:			
Grants and donations	388,468	72,842	**461,310**
Charitable activities	117,319	315	**117,634**
Total income	505,787	73,157	**578,944**
Expenditure on:			
Raising funds	39,590	-	**39,590**
Charitable activities	640,704	81,960	**722,664**
Total expenditure	680,294	81,960	**762,254**
Net expenditure	(174,507)	(8,803)	**(183,310)**
Transfers	15,071	(15,071)	-
Net movement in funds	(159,436)	(23,874)	**(183,310)**
Total funds at 1 April 2021	2,961,280	50,639	**2,741,919**
Total funds at 31 March 2022	2,531,844	26,765	**2,558,610**

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Notes to the financial statements

10. Tangible Fixed Assets

	Building	Fixtures and new theatre equipment	Fittings and equipment	Total
	£	£	£	£
Cost				
At 1 April 2022	4,262,613	523,443	67,858	**4,853,914**
Additions	-	-	8,260	**8,260**
Disposals	-	(124,561)	(3,808)	**(128,369)**
At 31 March 2023	4,262,613	398,882	72,310	**4,733,805**
Depreciation				
At 1 April 2022	2,016,421	523,443	43,208	**2,583,072**
Charge for the year	170,504	-	11,839	**182,343**
Eliminated on Disposal	-	(124,561)	(3,808)	**(128,369)**
At 31 March 2023	2,186,925	398,882	51,239	**2,637,046**
Net Book Value				
At 31 March 2023	2,075,688	-	21,071	**2,096,759**
At 31 March 2022	2,246,192	-	24,650	2,270,842

The purchase of Pegasus Theatre and the subsequent improvements, which were mainly funded through restricted donations, were discharged on the completion of the building. The remaining value (after depreciation) is reflected in the designated building fund. The Arts Council England (ACE) and the Big Lottery Fund hold charges over the property. The charge in favour of ACE is in accordance with their standard capital funding items.

11. Investments

	Shares in subsidiary undertakings
Cost	
At 1 April 2022	1
At 31 March 2023	1

The investment is made up of 100% of the share capital of Pegasus Theatre Productions Limited. Consolidated accounts have not been prepared as Pegasus Theatre Productions Limited was dormant throughout the whole period.

12. Debtors

	2023	2022
	£	£
Trade debtors	-	2,248
Prepayments	12,670	12,218
Other debtors	24,028	16,017
	36,698	30,483

Notes to the financial statements

13. Stock

	2023	2022
	£	£
Goods for resale	1,190	1,309

14. Creditors: Amounts due within 1 year

	2023	2022
	£	£
Trade creditors	20,024	6,582
Accruals	6,541	8,758
Deferred income	14,792	18,292
Amounts owed to group undertakings	1	1
Tax and social security	9,819	8,376
Other creditors	12,651	14,177
	63,828	56,186

15. Operating leases

At 31 March the organisation had no commitments under non-cancellable operating leases.

16 Contingent liabilities

The Charity has provided a legal debenture over the property as valuable security in connection with the £2,700,000 grant from Arts Council, England. No provision has been made in respect of the grant or any other capital grant as the conditions attached are deemed unlikely to occur.

The Charity has provided a legal charge over the property as valuable security in connection with the £1,850,000 grant from the Big Lottery Fund. No provision has been made in respect of the grant or any other capital grant as the conditions attaching are deemed unlikely to occur.

Notes to the financial statements

17. Movement in funds

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
Restricted funds					
Oxfordshire County (ENB)	-	6,902	(6,902)	-	-
Oxford City Council (DC)	1,488	-	-	-	1,488
Oxford City Council (LF)	-	1,700	(1,700)	-	-
D'Oyle Carte	3,000	-	(3,000)	-	-
Lottery Community Fund	8,000	-	(8,000)	-	-
Weinstock Fund	208	2,500	(2,500)	-	208
The Big Give (Dec 21)	13,070	-	(13,070)	-	-
Doris Field Charitable Trust	1,000	-	(1,000)	-	-
The Arts Society (Oxford)	-	2,000	(2,000)	-	-
	26,766	13,102	(38,172)	-	1,696
Unrestricted funds					
General funds	49,468	501,820	(579,555)	58,184	29,917
Designated funds:					
Strategic reserve	154,184	-	-	(8,184)	146,000
Asset replacement fund	52,000	-	-	(30,000)	22,000
Young Companies' Production fund	30,000	-	-	(20,000)	10,000
Building fund	2,246,192	-	(170,504)	-	2,075,688
	2,531,844	501,820	(750,059)	-	2,283,605
Total funds	2,558,610	514,922	(788,231)	-	2,285,301

Restricted funds:
Oxfordshire County (ENB) – Funds to support participant enablers.
Oxford City Council (DC)– funds to support the delivery of *Dawn Chorus* project.
Oxford City Council (LF) – fund to support Light Festival projects.
D'Oyle Carte Fund – to support the delivery of the creative learning programme.
Lottery Community Fund – to support the delivery of Looking Forward & Acting Out.
Weinstock Fund – funds to support access needs for young participants.
The Big Give (Dec 21) – donations towards the delivery of Looking Forward & Acting Out.
Doris Field Charitable Trust - the creative learning programme.
The Arts Society (Oxford) – to support the delivery of Acting Out Summer project.
Cameron Mackintosh Fund to support the delivery of 16-25 Young Company
Foyle Foundation – funds to support equipment and digital capacity
Clore Foundation – funds to support the delivery of the creative learning programme
Oxfordshire County Council – Funds for the delivery of *Under My Skin* & to support participants needs and core staffing cost (transfers)
Children in Need – funds to support the delivery of *Looking Forward & Acting Out and core staffing costs (transfers)*
Arts Council CRF – funds to support recovery post Covid

17. Movement in funds (continued)

Designated funds:

Notes to the financial statements

Strategic reserve – Stands at £146,000 12 weeks of current gross expenditure sufficient to meet contractual liabilities should the organisation close or cease trading. Transfers of £8,184 represents reduction in annual gross expenditure.

Asset replacement fund – Stands at £22,000 and is designated for the replacement of assets fixtures & fittings.

Young Companies' Production Fund – Stands at £10,000 and has been designated to underwrite young company productions over the period of the current business plan when sources of funding may be difficult to secure. Transfers of £20,000 represents production costs in the year.

Building fund – The Building fund represents the residual value of grants from Arts Council England, Southeast, The Big Lottery Fund and other donations which contributed to the capital project (2010). The fund is reduced annually by the charge for depreciation of the building.

Prior year comparison (2021/22)

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
Restricted funds					
Oxfordshire Council (UMS)	**16,364**	-	(13,883)	(2,481)	-
Oxfordshire County (ENB)	-	1,695	(1,695)	-	-
Children in Need	**10,103**	17,876	(15,387)	(12,590)	-
Oxford City Council (DC)	**1,488**	-	-	-	**1,488**
Oxford City Council (CEP)	**2,329**	-	(2,329)	-	-
Oxford City Council (SE)	-	250	(250)	-	-
ACE CRF2	-	20,686	(20,686)	-	-
Dominvs Project	-	1,500	(1,500)	-	-
We Are Purple	-	150	(150)	-	-
Photo Oxford	-	1,265	(1,265)	-	-
Foyle Foundation	**12,500**	-	(12,500)	-	-
Clare Foundation	**2,857**	-	(2,875)	-	-
Cameron Macintosh	**5,000**	-	(5,000)	-	-
D'Oyle Carte	-	3,000	-	-	**3,000**
Lottery Community Fund	-	10,000	(2,000)	-	**8,000**
Weinstock Fund	-	2,500	(2,292)	-	**208**
The Big Give (Dec 21)	-	13,070	-	-	**13,070**
Doris Field Charitable Trust	-	1,000	-	-	**1,000**
	50,639	73,157	(81,959)	(15,071)	**26,766**
Unrestricted funds					
General funds	**46,400**	505,787	(509,790)	7,071	**49,468**
Designated funds:					
Strategic reserve	**154,184**	-	-	-	**154,184**
Asset replacement fund	**44,000**	-	-	8,000	**52,000**
Young Companies' Production fund	**30,000**	-	-	-	**30,000**
Building fund	**2,416,696**	-	(170,504)	-	**2,246,192**
	2,691,280	505,787	(680,294)	15,071	**2,531,844**
Total funds	**2,741,919**	578,944	(762,254)	-	**2,558,610**

18. **Analysis of net assets between funds**

	Fixed	Net Current	Total

Notes to the financial statements

	Assets £	Assets £	**Funds £**
Restricted Funds	-	1,696	**1,696**
Unrestricted Funds			
Designated funds	2,075,688	178,000	**2,253,688**
General fund	21,072	8,845	**29,917**
Total funds as at **31 March 2023**	2,096,760	188,541	**2,285,301**

Prior year comparison (2021/2022)

	Fixed Assets £	Net Current Assets £	**Total Funds £**
Restricted Funds	-	26,766	**26,766**
Unrestricted Funds			
Designated funds	2,246,192	236,184	**2,482,376**
General fund	24,650	24,818	**49,468**
Total funds as at **31 March 2022**	2,270,842	287,768	**2,558,610**

19 Related party transactions

Information about related party transactions and outstanding balances is outlined below:
There were no related party transactions during the year or outstanding balances at 31 March 2023. (2022: £Nil)

In aggregate, Trustees made donations totalling £256 to the charity in the year. (2022: £1,330)

PEGASUS THEATRE TRUST

England & Wales - Charity number 1055305

Accounts

PEGASUS THEATRE TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2022

Company No: 03038190

Charity No: 1055305

Report of the Trustees

The Trustees present their report and the audited financial statements of the charity for the year ended 31st March 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

G L Geary	(Resigned 28 June 2022)
E Havard	(Resigned 26 October 2022)
B J Joshua	
N Lloyd	
E MacDonald	
N Moran	(Resigned 21 September 2021)
R Price	
J Retallack	(Resigned 21 September 2021)
S Sansom	(Resigned 26 October 2022)

Reference and Administrative Details

Chief Executive Officer	AH Cole
Company Number	03038190
Charity Number	1055305
Registered Office & Business address	Pegasus Theatre Trust Magdalen Road Oxford OX4 1RE
Principal bankers	Co-operative Bank plc P O Box 250 Skelmersdale WN8 6WT
Auditors	Burton Sweet Limited Chartered Accountants The Clock Tower, 5 Farleigh Court Old Weston Road Flax Bourton Bristol BS48 IUR

Report of the Trustees (continued)

Objectives and activities

The objects of the company, as stated in its memorandum of association, are to advance the education of the public in the practice and appreciation of the arts, in particular, but not exclusively, for the benefit of children and young people.

Mission
Young people are the life force of Pegasus.
We provide the inspiration for journeys filled with creative opportunity, aspiration and imagination. Through listening and responding to the needs, ideas and energy of all those who find a home within it, Pegasus is a pioneering force creating the present, challenging and shaping the future and making an enduring impact on the vitality of the performing arts locally, regionally and nationally.

Vision
We will be recognised as a pioneering force in the performing arts with our work for, by and with young people providing outstanding opportunities for them to experience and create in the present, challenge and shape the future and make an enduring impact on the vitality of the performing arts locally, regionally and nationally.

The continual development of our artistic and organisational ambition will be shaped by listening and responding to the needs, ideas and energy of all those who find a home with us and informed by the creativity, skills and talents we will nurture in young people and staff alike.

Whilst recognising the needs and expectations of each young person who engages with us will vary, we will provide the space and support to enable young people to embark on individual journeys of personal growth filled with creative opportunity, aspiration and imagination.

We will be bold in our approach to securing a sustainable future for the organisation, reach out to partners who can support us, be nimble and adaptable to the ever-changing environment that surrounds us and ensure the choices we make enable us to work in innovative, viable and inspiring ways.

We will be at the heart of the communities we serve and foster a sense of belonging that encourages people of all ages, backgrounds and cultures to experience together outstanding creative experiences that are vibrant, urgent and exciting.

Public Benefit Statement

The Trustees consider that, having paid due regard to the public benefit guidance published by the Charity Commission, they have complied with the duty placed upon them in section 17(5) of the Charities Act 2011.

Achievements and performance

The past 12 months has been a period of rebuilding and re-engaging following the pandemic and we have continued to be flexible, adaptable, decisive, and quick to implement change to benefit the needs of our young users. The ongoing support of our key funders Arts Council England and Oxford City Council has been invaluable to the organisation over the period.

We have maintained our commitment to providing inspiring and high-quality projects for children, young people and their families. All courses ran throughout the year and returned to full capacity on site. We have run two drama courses (5-8 and 8-11), three Hip Hop courses (Junior, Senior and Crew) and two young companies (11-15 and 16-25). Hip Hop classes have been developed with a new partnership with Body Politic and in the summer term we introduced a new young company 14-18 Technical in response to interested from young participants wanting to develop backstage skills. As a result, we have seen attendance in classes on site of 5,137 alongside daily attendance by 48 Acting Diploma students

We continued to commit a significant proportion of our resources to ensure young people facing turbulent and complex situations. Our inclusion programme supported participation by excluded and vulnerable young people with little or no access to the arts offering weekly creative and drama-based sessions across three terms: Looking Forward for vulnerable young women this year the two groups participated in a

Report of the Trustees (continued)

photography project which culminated with an exhibition of the young people's work at the Photo Oxford Festival in the autumn. Acting Out 8-11, for children experiencing challenging life circumstances continued and was expanded to include a weeklong summer school in August.

Our young companies are year-long commitments working towards full productions giving participants an in-depth view of the theatre-making process. Additional summer weeks were introduced this year to provide intensive rehearsal weeks. The Young Company 11-15 worked throughout the year towards their production of Goldfish with public performances in July 21. The Young Company 16-25 presented a devised show, *SHIFT*, in December. The show was devised with support from Complicite associate Artist Clive Mendus.

We have been commissioned by Oxfordshire County Council for the past six years to produce and tour *Under My Skin*, a play about adolescent mental health by Ali Taylor, to local schools. Covid-19 required us to adapt our plans and this year working with director Emma Webb we produced a film version of the play which was screened in schools over the Summer 21 term reaching 4,112 young people.

We have re-established our show programme in the theatre delivering 76 performances for children and young people and families curated through a rigorous process of research, viewing, and networks, our show programme included increasing representation of work from global majority and disability led companies sourced through existing relationships with companies such as Tangle Theatre and BLINK dance and new relationships developed through networks such as house and the children and young people programming network. We reflect the diverse interests of young people selecting touring work generated by companies we have established relationship with and introduce new and emerging artists and companies developing work on the small scale. Audience numbers of 3,775 reflect a phased return over the summer and autumn seasons.

The delivery of the Acting Diploma for 16-18s in partnership with boomsatsuma and The River Learning Trust continued with a new intake of students in September. Productions of *Animal Farm* and *Anna Karenina* were performed in May 2021 although the planned July 2021 production of *Earthquakes in London* was cancelled due to Covid-19 in the cast. Our long-standing partnership with Magdalen College School to support the delivery of their Theatre Academy annual production returned to the building in September this year with a production of Jekyll/Hyde in March 21.

Our staff team continues to adapt and we are introducing two new posts, Director - People, Programmes, Partnerships will hold responsibility for the development of producing and touring, the show programme, artist development programmes, audience, and partnerships development and Community Engagement Manager with the key remit to build and sustain our local and community relationships through consultation and direct engagement with the diverse and under-served communities of east and southeast Oxford. We continue to play a key role in the local community and Oxford's arts ecology and are a member of Oxford's Cultural Partnership and Cultural Education Partnership and this year joined the newly formed Oxford Culture Anti-Racism Alliance.

Financial review

The (£183,309) deficit for the year is reported after charging £170,504 depreciation to the building fund which is a non-cash movement. The cash surplus for the year of £11,068 (2021 £132,635) is the result of the continued support throughout the period of our core funders, Arts Council England and Oxford City Council, reductions in overheads during periods of lockdown, reduced programme expenditure due to Covid-19 restrictions in the first quarter.

Reserves Policy

Pegasus Theatre Trust holds reserves in order to provide business stability and to invest in its charitable and artistic activities. The Trustees review the reserve levels of the charity annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future of the charity, the uncertainty over future income streams and other key risks identified during the risk review.

Total current funds are £2,558,610 of which £2,246,191 is the Designated Building Fund and represents the residual value of grants from Arts Council England, Southeast, The Big Lottery Fund and other donations which contributed to the capital project (2010). The fund is reduced annually by the charge for depreciation of the building.

Report of the Trustees (continued)

The Trustees have established that in addition to the general free reserves, there would be three additional designated reserve funds - the strategic fund, the asset replacement fund and the Young Companies' production fund.

The designated strategic reserve total at March 2022 is £154,184. This is equivalent to 12 weeks of current gross expenditure which is sufficient to meet contractual liabilities should the organisation have to close or cease trading for any period. This includes redundancy pay, amounts due to creditors and commitments under leases. It is the trustees' intention to maintain this designated strategic fund level at 12 weeks of current gross expenditure.

The designated asset replacement fund total at March 2022 is £52,000. The trustees approved the allocation of an additional £8,000 in this year to the fund for essential maintenance to the now 10-year-old building.

The Young Companies' production fund currently stands at £30,000. This fund can be used over the period of the current five-year business plan, to underwrite Young Company productions at times when other sources of funding may be difficult to secure.

The current level of free reserves is £24,818 and the trustees believe that this is sufficient to maintain working capital for the foreseeable future. It is the trustees' intention to maintain this reserve between £25,000 and £50,000.

Investment powers and policy

Under the memorandum and articles of association, the trustees of the charity have the power to invest as they see fit in the furtherance of the charity's objectives. The trustees' investment policy is to obtain as high an income as possible with low risk. Such funds should be easily accessible given the requirement to hold liquid funds to meet cash flow demands and unexpected liabilities. The funds are therefore invested with the Co-operative and Clydesdale Banks. The investments provided a return of 0.35% in the year ended 31st March 2022.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Future plans

In 2022 we will be re applying to the Arts Council for National Portfolio status and funding for the next four years 23-26 period. Continuing our focus on providing creative opportunities for young people and their families we will build on our ability to flex our operating model, gather wider opinion from our community to develop a programme that is continually responsive to the needs and interests of our audiences. Retaining the elements that resonate and redefining those that do not we will find project partners with shared ambitions and explore collaborations that bring an impactful range of opportunities to our programme. We will make positive changes to our inclusivity and diversity, investing in an organisational wide development programme to embed the processes that will ensure we fully represent and reflect the diversity of the communities we serve into the future. We will ensure we provide value for money by investing our resources, be they time or money, efficiently, continually reviewing where we direct our resources in relation to the needs and expectations of our young audiences and wider community. Ever mindful of our impact on future generations we will continue to implement our environmental action plan.

In recent recruitments the board successfully increased representation of younger people and those directly working in the arts. The next priority is to bring fresh energy to the team by addressing under representation from people of the global majority and local community arts practitioners. We are planning to test new approaches to recruiting Trustees in 2022/23 through focus groups and open events that explore different ways to make board membership accessible and attractive.

Report of the Trustees (continued)

Structure, governance and management

Pegasus Theatre Trust is a company limited by guarantee governed by its memorandum and articles of association dated 27 March 1995. It is registered as a charity with the Charity Commission. The liability of members in the event of a winding up is limited by guarantee to an amount not exceeding £1 per member. At the balance sheet date there were 10 members.

In October 2014 the company formed a subsidiary, Pegasus Theatre Productions Ltd.

Appointment of Trustees

Pegasus Theatre Trust as a registered charity is governed by a board of trustees who are also directors of the company. Details of the trustees and directors are given on page 1. Each trustee is expected to remain in office for five years and may be re-elected for one further three-year term but may not be re-elected for a further term in office unless exceptional circumstances apply. Recruitment takes place as required and is also informed by a regular skills audit to ensure the changing needs of the organisation can be supported.

All trustees have a discussion with the chair, other members of the board and executive team prior to appointment which provides a summary of the trust's development to date and its current position. The new trustees have an opportunity to discuss the issues that arise and ask any questions. New trustees also receive a written role description, details of principal responsibilities and duties, recent minutes, some historical information and the current business plan, as well as the memorandum and articles of association and most recent accounts. All trustees receive an induction, which includes meeting the wider staff team, visits to a variety of Pegasus activities, in-house mentoring and training where necessary. Any trustee who will be in unsupervised contact with young people is required to be checked through the Disclosure and Barring Service.

Organisation

The Board of Trustees administer the charity. The board meets four times a year. In November 2018 the chairs' committee was disbanded and there are now two sub-committees which allow for more detailed discussion and scrutiny at separate meetings: the finance and resources committee meets four times a year prior to board meetings; the development committee meets four times a year.

The Executive Director as Chief Executive Officer directs the strategic development and day-to-day operations of the charity with the support of the Creative Learning Director and Development Director.

Key Management Personnel Remuneration

The trustees consider the Board of Trustees, Chief Executive Officer, Director People, Programmes, Partnership and Creative Learning Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 19 to the accounts.

Trustees are required to disclose all relevant interests and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises. The pay of the key management personnel is reviewed annually by the trustees to ensure that it is fair and not out of line with similar roles.

Related Parties

Arts Council England, Southeast and Oxford City Council provide essential core funding and have nominated representation on the board as non-voting observers.

Details of transactions with these organisations are provided in note 19 to the accounts. The charity has one wholly owned subsidiary which currently does not trade.

The chair of Pegasus Youth Board is co-opted as trustee to the board with full voting rights or as non-voting observer depending on age.

Report of the Trustees (continued)

Fundraising Practice

The charity employs a Development Director with the remit to organise and undertake planned fundraising activity. The organisation has signed up to the Fundraising Regulator's Code of Fundraising Practice and the Development Director is a member of The Institute of Fundraising. Any direct fundraising marketing is undertaken by the Development Director to ensure it is not unreasonably intrusive or persistent. All fundraising material includes details of how to unsubscribe from all future mailings or contact. There have been no complaints made regarding fundraising activity during the year.

Risk Management

The trustees are responsible for the management of risks faced by the organisation. The board carries out a formal review of the charity's risk management processes on an annual basis and the charity maintains a risk register which is regularly monitored and reviewed by the board.

The key areas of risk where management failure would carry a potential threat to the organisation have been identified as follows: failures in statutory and regulatory compliance regarding the safeguarding of young people, reductions in income generated and failing to respond to changing funding environments, exceeding organisational capacity. The management of risk and the effectiveness of all material internal controls, including operational, financial and compliance controls is ongoing and reviewed and assessed by the senior management team, and is regularly reviewed by the board.

Statement of Trustees responsibilities

The trustees (who are also directors of Pegasus Theatre Trust for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with 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 Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of 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.
- observe the methods and principles in the Charities SORP.
- make judgments 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 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 Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware.
- the trustees have taken all steps that they ought to make themselves aware of that information.

This report was approved by the Board of Directors and Trustees on **24 November 2022** and signed on its behalf by:

Bob Price
Director/Trustee (Chair)

Independent auditor's report to the members of Pegasus Theatre Trust

Opinion

We have audited the financial statements of Pegasus Theatre Trust (the "Charity") for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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).

This report is made solely to the Charity'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 Charity's members those matters we are required to state in 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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted out audit in accordance with international Standards in 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 are independent of the Charity 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. 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 directors' 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 charity'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 directors 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 annual report other than the financial statements and out 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If based,

on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

We have nothing to report in this regard.

Opinions 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable law requirements.

Matters on which we are required to report by exception

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

- sufficient accounting records have not been kept;

- the financial statements are not in agreement with the accounting records and returns;

- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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/apb/scope/private.cfm This description forms part of our auditor's report.

Joshua Kingston ACA
For and on behalf of Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date:

Statement of Financial Activities *(Incorporating an Income and Expenditure Account)*

	Note	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Income from:					
Grants and donations	2	**388,468**	72,842	**461,310**	535,896
Charitable activities	3	117,319	315	**117,634**	79,777
Total income		505,787	73,157	**578,944**	615,673
Expenditure on:					
Raising funds	4	39,590	-	**39,590**	41,344
Charitable activities	5	640,704	81,960	**722,664**	643,315
Total expenditure		680,294	81,960	**762,254**	684,659
Net income / (expenditure)	6	(174,507)	(8,803)	**(183,310)**	(68,986)
Transfers		15,071	(15,071)	**-**	-
Net movement in funds		(159,436)	(23,874)	**(183,310)**	(68,986)
Total funds at 1 April 2021		2,961,280	50,639	**2,741,919**	2,810,905
Total funds at 31 March 2022	17	2,531,844	26,765	**2,558,610**	2,741,919

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 13 to 24 form part of these financial statements.

Prior year fund comparatives are contained in note 8.

Balance Sheet at 31 March 2022 **Company No: 03038190**

	Note	£	2022 £	2021 £
Fixed Assets				
Tangible Fixed Assets	10	2,270,842		2,428,242
Investments	11	1		1
			2,270,843	2,428,243
Current Assets				
Debtors	12	30,485		20,037
Stock	13	1,309		1,385
Cash at Bank and in Hand		312,161		364,963
			343,955	386,385
Creditors: Amounts Due Within 1 Year	14		**(56,188)**	(72,709)
Net Current Assets			**287,767**	313,676
Net Assets			**2,558,610**	2,741,919
Funds				
Restricted Funds	17		**26,766**	50,639
Unrestricted Funds	17		**2,531,844**	2,691,280
Total Funds			**2,558,610**	2,741,919

These accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The notes on pages 13 to 24 form part of these financial statements.

Approved and authorised for issue by the Board of Directors on **24 November 2022** and signed on its behalf by

Bob Price
Director/Trustee

Statement of Cash Flows

			2022	2021
			£	£
Net cash inflow from operating activities	**Notes**	**A**	(27,975)	142,698
Non - operational cashflows:				
Cash flows from investing activities				
Interest received			(16)	(182)
Acquisition of tangible fixed assets			(24,811)	(9,881)
Net cash outflow for the year	**Notes**	**B**	(52,802)	132,635

Notes to the Cashflow Statement

A. Reconciliation of net movement in funds to net cash inflow from operating activities

			2022	2021
			£	£
Net movement in funds	**Notes**	**C**	**(183,309)**	(68,985)
Interest received			**16**	182
Decrease/(increase) in debtors			**(10,448)**	36,472
(Increase)/decrease in stock			**75**	673
Increase/(decrease) in creditors			**(16,520)**	(1,652)
Depreciation			**182,211**	176,008
Net cash inflow from operating activities			**(27,975)**	142,698

B. Analysis of changes in cash during the year

	2022	2021	**Change**
	£	£	**£**
Cash at bank and in hand	312,161	364,963	**(52,802)**

	2021	2020	**Change**
	£	£	**£**
Cash at bank and in hand	364,963	232,328	**132,635**

C. Cashflow restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cashflows for the year.

Notes to the financial statements

1. Summary of accounting policies

1.1 General information and basis for preparation

The financial statements have been prepared in accordance with the historical cost convention (except for investments which have been included at fair value and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

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.

The charity is a public benefit entity as defined under FRS 102.

1.2 Funds

Unrestricted funds 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 cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).
For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

The charity receives government grants via Arts Council England and Oxford City Council. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred. Investment income is all earned from cash holdings in bank deposit accounts. Other income includes gains on disposals of tangible fixed assets.

Notes to the financial statements (continued)

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising grants and donations include salaries, the cost of fundraising events and promotional material.

Expenditure on charitable activity includes production costs, fees paid for received programme, costs in relation to delivery of the participation programme and all other costs directly connected with activity the charity undertakes.

1.5 Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Overheads have been allocated on a per capita basis. The analysis of these costs is included in note 5

1.6 Tangible fixed assets

These are included at cost less accumulated depreciation. All fixed assets over £1,000 are capitalised. The company has built a new theatre which was commissioned in May 2010. Costs directly connected with the construction of the new theatre including architects' fees, structural engineers' costs and direct project management costs have been capitalised. Depreciation is calculated to write off their cost over their expected useful lives as follows:

Fixtures, fittings and equipment	4 years
Building	25 years

1.7 Stocks

Stock is included at the lower of cost or net realisable value. Stock consists of purchased goods for resale.

1.8 Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

1.9 Pension costs

The company operates a defined contribution pension scheme. The pension costs charged in the SoFA represent the contributions payable by the company during the year.

2.0 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and 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.

2.1 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Income from grants and donations

Core grants	Unrestricted £	Restricted £	**2022 Total £**
Oxford City Council	24,000	-	**24,000**
Arts Council England South-East	305,493	-	**305,493**
Covid-19 JRS Scheme Grant	4,608	-	**4,608**
	334,101	**-**	**334,101**

Public grants	Unrestricted £	Restricted £	**2022 Total £**
Oxfordshire County Council	-	1,695	**1,695**
Oxford City Council	-	250	**250**
BBC Children in Need	-	17,876	**17,876**
Arts Council, Cultural Recovery	-	20,686	**20,686**
	-	**40,507**	**40,507**

Other grants and donations	Unrestricted £	Restricted £	**2022 Total £**
Garfield Weston Foundation	13,750	-	**13,750**
PF Charitable Trust	4,117	-	**4,117**
Mr and Mrs JA Pye's Charitable Settlement	10,000	-	**10,000**
Cecil Pilkington Charitable Trust	2,500	-	**2,500**
Doris Field Trust		1,000	**1,000**
The Helen Hamlyn Trust	10,000	-	**10,000**
The Barnsbury Charitable Trust	-	1,000	**1,000**
Four Acre Trust	-	3,000	**3,000**
Lottery Community Fund	-	10,000	**10,000**
The Weinstock Fund	-	2,500	**2,500**
The Souldern Trust	500	-	**500**
The D'Oyly Carte Trust	-	3,000	**3,000**
Photo Oxford	-	1,265	**1,265**
Donations – Corporate	290	3,200	**3,490**
Donations from Individuals	13,160	7,370	**20,530**
	54,367	**32,335**	**86,702**
	388,468	**72,842**	**461,310**

2. Income from grants and donations – continued
Prior year comparison (2020-21)

Core grants	Unrestricted £	Restricted £	**2021 Total £**
Oxford City Council	24,000	-	**24,000**
Arts Council England South East	305,493	-	**305,493**
Covid-19 JRS Scheme Grant	45,762	-	**45,762**
	375,255	**-**	**375,255**

Public grants	Unrestricted £	Restricted £	**2021 Total £**
Oxfordshire County Council	-	25,352	**25,352**
Oxford City Council	25,000	300	**25,300**
BBC Children in Need	-	35,457	**35,457**
	25,000	**61,109**	**86,109**

Other grants and donations	Unrestricted £	Restricted £	**2021 Total £**
Garfield Weston Foundation	1,250	-	**1,250**
PF Charitable Trust	6,667	-	**6.667**
Mr and Mrs JA Pye's Charitable Settlement	10,000	-	**10,000**
Cecil Pilkington Charitable Trust	1,000	-	**1,000**
Doris Field Trust	1,000	-	**1,000**
The Helen Hamlyn Trust	10,000	-	**10,000**
The Foyle Foundation	-	12,500	**12,500**
The Ammco Trust	-	500	**500**
A&H Pilkington Charitable Trust	1,000	-	**1,000**
Clore Foundation	-	5,000	**5,000**
The Barnsbury Charitable Trust	2,500	-	**2,500**
The Cameron Macintosh Fund	-	5,000	**5,000**
Donations – Corporate	500	-	**500**
Donations from Individuals	17,615	-	**17,615**
	51,532	**23,000**	**74,532**
	451,787	**84,109**	**535,896**

3. Income from charitable activities

			2022
Theatre and arts education activity	Unrestricted £	Restricted £	**Total £**
Ticket sales	17,444	-	**17,444**
Participation fees	29,667	-	**29,667**
Facilities hire	1,191	-	**1,191**
Hire fees (performances)	600	-	**600**
Touring Fees	-	-	**-**
Cafe Bar sales	819	-	**819**
Miscellaneous	10,415	-	**10,415**
Sponsorship	51,964	315	**52,279**
Theatre tax relief	5,216	-	**5,216**
	117,319	315	**117,634**

Prior year comparison (2020/2021)

			2021
Theatre and arts education activity	Unrestricted £	Restricted £	**Total £**
Ticket sales	595	-	**595**
Participation fees	13,229	-	**13,229**
Facilities hire	-	-	**-**
Hire fees (performances)	-	-	**-**
Cafe Bar sales	279	-	**279**
Miscellaneous	1,449	-	**1,449**
Sponsorship	64,225	-	**64,225**
Theatre tax relief	-	-	**-**
	79,777	-	**79,777**

4. Expenditure on raising funds

	Total 2022 £	Total 2021 £
Direct costs	37,913	40,085
Support costs	1,677	1,259
	39,590	41,344

5. Expenditure on charitable activities

	Direct costs £	Support costs £	**Total 2022 £**
Programme	60,969	35,561	**96,530**
Producing	78,404	35,561	**113,965**
Participation	110,895	36,725	**147,620**
Administration	66,457	2,140	**68,597**
Premises/ Front of House	83,632	21,079	**104,711**
Depreciation	-	182,211	**182,211**
Governance costs	6,597	2,433	**9,030**
	406,954	315,710	**722,644**

Prior year comparison (2020/2021)

	Direct costs £	Support costs £	**Total 2021 £**
Programme	37,406	34,156	**71,562**
Producing	57,566	34,156	**91,722**
Participation	105,235	34,662	**139,897**
Administration	65,307	1,137	**66,444**
Premises/ Front of House	64,745	24,946	**89,691**
Depreciation	-	176,009	**176,009**
Governance costs	5,585	2,405	**7,990**
	335,844	307,471	**643,315**

6. Net income/(expenditure)

This is stated after charging:	**2022 £**	2021 £
Auditors' remuneration	**5,600**	4,725
Operating leases	**-**	-
Depreciation	**182,211**	176,009

7. Staff costs and numbers

Staff costs were as follows:	**2022 £**	2021 £
Wages and salaries	**287,272**	295,528
Employer's National Insurance	**20,251**	21,335
Employer's pension contributions	**7,817**	8,247
	315,340	325,110

7. Staff costs and numbers – continued

No employee earned more than £60,000 during the year.

	2022	2021
	No.	No.
Average number (headcount) of employees	**13**	13

The total number of staff at the year-end was **13**

The total amount of employee benefits received by key management personnel is £129,116 (2021: £130,309). The charity considers its key management personnel comprise:

Executive Director - Chief Executive
Development Director
Creative Learning Director

No trustee received remuneration or claimed expenses in the current or prior year. Expenses waived during the year were £nil (2021 - £0).

8. Prior year comparison (2020/2021)

	Note	**Unrestricted £**	**Restricted £**	**2021 Total £**
Income from:				
Grants and donations	2	451,787	84,109	**535,896**
Charitable activities	3	79,777	-	**79,777**
Total income		531,564	84,109	**615,673**
Expenditure on:				
Raising funds	4	41,344	-	**41,344**
Charitable activities	5	619,467	23,848	**643,315**
Total expenditure		660,811	23,848	**684,659**
Net expenditure	6	(129,247)	60,261	**(68,986)**
Transfers		15,000	(15,000)	**-**
Net movement in funds		(114,247)	45,261	**(68,986)**
Total funds at 1 April 2020		2,805,527	5,378	**2,810,905**
Total funds at 31 March 2021	17	2,691,280	50,639	**2,741,191**

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. Tangible Fixed Assets

	Building	Fixtures and new theatre equipment	Fittings and equipment	Total
	£	£	£	**£**
Cost				
At 1 April 2021	4,262,613	523,443	43,046	**4,829,102**
Additions in year	-	-	24,811	**24,811**
At 31 March 2022	4,262,613	523,443	67,857	**4,853,913**
Depreciation				
At 1 April 2021	1,845,916	523,443	31,501	**2400,860**
Charge for the year	170,504	-	11,707	**182,211**
At 31 March 2022	2,016,420	523,443	43,208	**2,583,071**
Net Book Value				
At 31 March 2022	2,246,192	-	24,650	**2,270,842**
At 31 March 2021	2,416,697	-	11,545	**2,428,242**

The purchase of Pegasus Theatre and the subsequent improvements, which were mainly funded through restricted donations, were discharged on the completion of the building. The remaining value (after depreciation) is reflected in the designated building fund. The Arts Council England (ACE) and the Big Lottery Fund hold charges over the property. The charge in favour of ACE is in accordance with their standard capital funding items.

11. Investments

	Shares in subsidiary undertakings
Cost	
At 1 April 2021	1
At 31 March 2022	1

The investment is made up of 100% of the share capital of Pegasus Theatre Productions Limited. Consolidated accounts have not been prepared as Pegasus Theatre Productions Limited was dormant throughout the whole period.

12. Debtors

	2022	2021
	£	£
Trade debtors	2,248	12,564
Prepayments	12,218	7,473
Other debtors	16,017	
	30,483	20,037

13. Stock

	2022	2021
	£	£
Goods for resale	1,309	1,385

14. Creditors: Amounts due within 1 year

	2022	2021
	£	£
Trade creditors	6,582	5,005
Accruals	8,758	9,830
Deferred income	18,291	32,708
Amounts owed to group undertakings	1	1
Tax and social security	8,376	9,899
Other creditors	14,177	15,266
	56,188	72,709

15. Operating leases

At 31 March 21 the organisation had no commitments under non-cancellable operating leases

16. Contingent liabilities

The Charity has provided a legal debenture over the property as valuable security in connection with the £2,700,000 grant from Arts Council, England. No provision has been made in respect of the grant or any other capital grant as the conditions attached are deemed unlikely to occur.

The Charity has provided a legal charge over the property as valuable security in connection with the £1,850,000 grant from the Big Lottery Fund. No provision has been made in respect of the grant or any other capital grant as the conditions attaching are deemed unlikely to occur.

17 Movement in funds

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
Restricted funds					
Oxfordshire Council (UMS)	**16,364**	-	(13,883)	(2,481)	**-**
Oxfordshire County (ENB)	**-**	1,695	(1,695)	-	**-**
Children in Need	**10,103**	17,876	(15,387)	(12,590)	**-**
Oxford City Council (DC)	**1,487**	-	-	-	**1,487**
Oxford City Council (CEP)	**2,329**	-	(2,329)	-	**-**
Oxford City Council (SE)	**-**	250	(250)	-	**-**
ACE CRF2	**-**	20,686	(20,686)	-	**-**
Dominvs Project	**-**	1,500	(1,500)	-	**-**
We Are Purple	**-**	150	(150)	-	**-**

Photo Oxford	**-**	1,265	(1,265)	-	**-**
Foyle Foundation	**12,500**	-	(12,500)	-	**-**
Clore Foundation	**2,857**	-	(2,875)	-	**-**
Cameron Macintosh	**5,000**	-	(5,000)	-	**-**
D'Oyle Carte	**-**	3,000	-	-	**3,000**
Lottery Community Fund	**-**	10,000	(2,000)	-	**8,000**
Weinstock Fund	**-**	2,500	(2,292)	-	**208**
The Big Give (Dec 21)	**-**	13,070	-	-	**13,070**
Doris Field Charitable Trust	**-**	1,000	-	-	**1,000**
	50,639	73,157	(81,959)	(15,071)	**26,766**
Unrestricted funds					
General funds	**46,400**	505,787	(509,790)	7,071	**49,468**
Designated funds:					
Strategic reserve	**154,184**	-	-	-	**154,184**
Asset replacement fund	**44,000**	-	-	8,000	**52,000**
Young Companies' Production fund	**30,000**	-	-	-	**30,000**
Building fund	**2,416,696**	-	(170,504)	-	**2,246,192**
	2,691,280	505,787	(680,294)	15,071	**2,531,844**
Total funds	**2,741,919**	578,944	(762,254)	-	**2,558,610**

Restricted funds:
Oxfordshire County Council – Funds for the delivery of *Under My Skin* & to support participants needs and core staffing cost (transfers)
Children in Need – funds to support the delivery of *Looking Forward* & *Acting Out and core staffing costs (transfers)*
Oxford City Council – funds to support the delivery of *Dawn Chorus* project and *Acting Out* project
Cameron Mackintosh Fund to support the delivery of 16-25 Young Company
Foyle Foundation – funds to support equipment and digital capacity
Lottery Community Fund – to support the delivery of Looking Forward & Acting Out
Clore Foundation – funds to support the delivery of the creative learning programme
Weinstock Fund – funds to support access needs for young participants
The Big Give (Dec 21) – donations towards the delivery of Looking Forward & Acting Out

Movement in funds (continued)
Designated funds:

Strategic reserve
Stands at £154,184 14 weeks of current gross expenditure sufficient to meet contractual liabilities should the organisation close or cease trading.

Asset replacement fund
Stands at £52,000 and is designated for the replacement of assets fixtures & fittings.

Young Companies' Production Fund
Stands at £30,000 and has been designated to underwrite young company productions over the period of the current business plan (2019-22) when sources of funding may be difficult to secure.

Building fund

The Building fund represents the residual value of grants from Arts Council England, South East, The Big Lottery Fund and other donations which contributed to the capital project (2010). The fund is reduced annually by the charge for depreciation of the building.

Prior year comparison (2020/21

	At 1 April 2020	Income	Expenditure	Transfers	**At 31 March 2021**
	£	£	£	£	**£**
Restricted funds					
Oxfordshire Council (UMS)	**-**	24,835	(6,251)	(2,220)	**16,364**
Oxfordshire County (ENB)		517	(517)	-	**-**
Children in Need	**-**	35,457	(12,574)	(12,780)	**10,103**
Oxford City Council (AA)	**-**	300	(300)	-	**-**
Oxford City Council (DC)	**1,487**	-	-	-	**1,487**
Oxford City Council (CEP)	**2,329**	-	-	-	**2,329**
Foyle Foundation	**-**	12,500	-	-	**12,500**
Clore Foundation	**-**	5,000	(2,143)	-	**2,857**
St Michaels & All Saints	**1,563**	-	(1,563)	-	**-**
The Ammco Charitable Trust	**-**	500	(500)	-	**-**
Cameron Macintosh	**-**	5,000	-	-	**5,000**
	5,378	84,109	(23,848)	(15,000)	**50,639**
Unrestricted funds					
General funds	**29,746**	531,564	(490,307)	(24,603)	**46,400**
Designated funds:					
Strategic reserve	**154,184**	-	-	-	**154,184**
Asset replacement fund	**7,397**	-	-	36,603	**44,000**
Young Companies' Production fund	**27,000**	-	-	3,000	**30,000**
Building fund	**2,587,200**	-	(170,504)	-	**2,416,696**
	2,805,527	531,564	(660,811)	15,000	**2,691,280**
Total funds	**2,810,905**	615,673	(684,659)	-	**2,741,919**

18. Analysis of net assets between funds

	Fixed Assets	Net Current Assets	**Total Funds**
	£	£	**£**
Restricted Funds		26,766	**26,766**
Unrestricted Funds			
Designated funds	2,246,191	236,184	**2,482,376**
General fund	24,650	24,818	**49,468**

Total funds as at 31 March 2022	2,270,842	287,768	**2,558,610**

Prior year comparison (2020/2021)

	Fixed Assets	Net Current Assets	**Total Funds**
	£	£	**£**
Restricted Funds	-	50,639	50,639
Unrestricted Funds			
Designated funds	2,416,696	228,184	**2,644,880**
General fund	11,547	34,853	**46,400**
Total funds as at 31 March 2021	2,428,243	313,676	**2,741,919**

19 Related party transactions

Information about related party transactions and outstanding balances is outlined below:
There were no related party transactions during the year or outstanding balances at 31 March 2022. (2021 £Nil)

In aggregate, Trustees made donations totalling £1,330 to the charity in the year. (2021: £531)

PEGASUS THEATRE TRUST

England & Wales - Charity number 1055305

Accounts

PEGASUS THEATRE TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2021

Company No: 03038190

Charity No: 1055305

Report of the Trustees

The Trustees present their report and the audited financial statements of the charity for the year ended 31st March 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

G L Geary	
E Havard	
W R Jestico	(Term completed 24 September 2020)
B J Joshua	
L Lewis	(Resigned 24 September 2020)
N Lloyd	
E MacDonald	
N Moran	(Resigned 21 September 2021)
R Price	
J Retallack	(Resigned 21 September 2021)
S Sansom	

Reference and Administrative Details

Chief Executive Officer	AH Cole
Company Number	03038190
Charity Number	1055305
Registered Office & Business address	Pegasus Theatre Trust Magdalen Road Oxford OX4 1RE
Principal bankers	Co-operative Bank plc P O Box 250 Skelmersdale WN8 6WT
Auditors	Burton Sweet Limited Chartered Accountants The Clock Tower, 5 Farleigh Court Old Weston Road Flax Bourton Bristol BS48 IUR

Report of the Trustees

Objectives and activities

The objects of the company, as stated in its memorandum of association, are to advance the education of the public in the practice and appreciation of the arts, in particular, but not exclusively, for the benefit of children and young people.

Mission

Young people are the life force of Pegasus.
We provide the inspiration for journeys filled with creative opportunity, aspiration and imagination. Through listening and responding to the needs, ideas and energy of all those who find a home within it, Pegasus is a pioneering force creating the present, challenging and shaping the future and making an enduring impact on the vitality of the performing arts locally, regionally and nationally.

Vision

We will be recognised as a pioneering force in the performing arts with our work for, by and with young people providing outstanding opportunities for them to experience and create in the present, challenge and shape the future and make an enduring impact on the vitality of the performing arts locally, regionally and nationally.

The continual development of our artistic and organisational ambition will be shaped by listening and responding to the needs, ideas and energy of all those who find a home with us and informed by the creativity, skills and talents we will nurture in young people and staff alike.

Whilst recognising the needs and expectations of each young person who engages with us will vary, we will provide the space and support to enable young people to embark on individual journeys of personal growth filled with creative opportunity, aspiration and imagination.

We will be bold in our approach to securing a sustainable future for the organisation, reach out to partners who can support us, be nimble and adaptable to the ever-changing environment that surrounds us and ensure the choices we make enable us to work in innovative, viable and inspiring ways.

We will be at the heart of the communities we serve and foster a sense of belonging that encourages people of all ages, backgrounds and cultures to experience together outstanding creative experiences that are vibrant, urgent and exciting.

Public Benefit Statement

The Trustees consider that, having paid due regard to the public benefit guidance published by the Charity Commission, they have complied with the duty placed upon them in section 17(5) of the Charities Act 2011.

Achievements and performance

Pegasus has proved that it is resilient and adaptable over a year of change, challenge and uncertainty which will continue as we transition through Covid-19 to the changing landscape of the future. The ongoing support of our key funders Arts Council England and Oxford City Council has been invaluable to the organisation over the period.

We have maintained our commitment to providing inspiring and high-quality projects for children, young people and their families and redirected our resources and provided activity across the most appropriate platforms for both the situation and young audiences. As a result, we have seen attendance in classes online or on site of 2,834 alongside daily attendance by 48 Acting Diploma students. Engagement with our online programme of shows, productions and events reached 24,802. Throughout we have continued to secure employment for staff, freelancers, and artists.

The Summer term 2020 began in lockdown and was our first experience of delivering activity online. We have listened to our young people and parents, learning together the challenges of online delivery,

Report of the Trustees (continued)

building stronger relationships and supporting each other through difficult times. Our weekly classes have continued throughout with reduced capacities, online or in person and sometimes in different formats.

Our in-depth inclusion programme enables access to the arts for the most vulnerable and excluded in our society, including those in social care, looked after children and unaccompanied minors and we continued to commit a significant proportion of our resources to ensure young people facing turbulent and complex situations had opportunities to engage in the arts during the disruption of the year. We adapted our programmes including *Remix,* for those newly arrived in the country, *Catalyst* for over 18s with learning and physical disabilities, *Acting Out* for young people experiencing challenging circumstances at home or school and *Looking Forward* for vulnerable young women and provided young participants with a constant touchstone in difficult times.

By continuing to deliver a programme we have supported our SPARK artists and retained our freelance practitioners providing ongoing work and small commissions. Online content took many forms from show recordings, Q&As, workshops to masterclasses and we were delighted with contributions from SPARK artists past and present including Richard Chappell, Robyn Olivia, Emma Boor, Morgan & West, Tabby Lamb and Joe Lott. We also provided a platform for theatre companies to show their work including Half Moon Theatre's *Dust*, Moulded Theatre's *Swish and* Mark Thomas' *Bravo Figaro*, *Red Shed* and *Serious Organised Criminal*.

Our two young companies worked across the 12-month period and adapted their plans to produce work on the mainstage. 11-15 Young Company's production of *Goldfish* was rescheduled to July 21 and 16-25 Young Company created a digital performance *Elysium* which was streamed in December 20.

We have been commissioned by Oxfordshire County Council for the past six years to produce and tour *Under My Skin*, a play about adolescent mental health by Ali Taylor, to local schools. Again Covid-19 required us to adapt our plans and this year working with director Emma Webb we produced a film version of the play which will be screened in schools over the Summer 21 term.

The delivery of the Acting Diploma for 16-18s in partnership with boomsatsuma and The River Learning Trust returned to the building in June 2020. This required a rigorous approach to risk management and the initial framework we adopted has served us well as we manage the ongoing assessments of Covid-safe working, teaching and audience environments. The students' February 2021 productions of *Animal Farm* and *Anna Karenina* were rescheduled to May 2021and the July 2020 production of *Earthquakes in London* has been rescheduled to July 2021. Our long-standing partnership with Magdalen College School to support the delivery of their Theatre Academy annual production was adapted this year and although the academy was not physically in Pegasus, we continue to provide tutors and technical support for their productions.

Our staff team for the most part remains intact, and we have adapted to and invested in home working, different operating platforms and technology over the past year. We launched a new website in May 2020 which greatly assisted our ability to embrace digital formats and communication. We continue to play a key role in the local community and Oxford's arts ecology and are a member of Oxford's Cultural Partnership and Cultural Education Partnership and this year joined the newly formed Oxford Culture Anti-Racism Alliance.

Financial review

The (£68,986) deficit for the year is reported after charging £170,504 depreciation to the building fund which is a non-cash movement. The cash surplus for the year of £132,635 (2020 (£74,750)) is the result of the continued support throughout the period of our core funders, Arts Council England and Oxford City Council, reductions in overheads during periods of lockdown, reduced programme expenditure due to Covid-19 restrictions and the support for staff retention provided by the government's Job Retention Scheme.

Reserves Policy

Pegasus Theatre Trust holds reserves in order to provide business stability and to invest in its charitable and artistic activities. The Trustees review the reserve levels of the charity annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future of the charity, the uncertainty over future income streams and other key risks identified during the risk review.

Report of the Trustees (continued)

Total current funds are £2,741,919 of which £2,416,696 is the Designated Building Fund and represents the residual value of grants from Arts Council England, Southeast, The Big Lottery Fund and other donations which contributed to the capital project (2010). The fund is reduced annually by the charge for depreciation of the building.

The Trustees have established that in addition to the general free reserves, there would be three additional designated reserve funds - the strategic fund, the asset replacement fund and the Young Companies' production fund.

The designated strategic reserve total at March 2021 is £154,184. This is equivalent to 12 weeks of current gross expenditure which is sufficient to meet contractual liabilities should the organisation have to close or cease trading for any period. This includes redundancy pay, amounts due to creditors and commitments under leases. It is the trustees' intention to maintain this designated strategic fund level at 12 weeks of current gross expenditure.

The designated asset replacement fund total at March 2021 is £44,000. The trustees approved the allocation of an additional £36,603 in this year to the fund for essential maintenance to the now 10-year-old building including repairs to the roof.

The Young Companies' production fund currently stands at £30,000. This fund can be used over the period of the current five-year business plan, to underwrite Young Company productions at times when other sources of funding may be difficult to secure. The trustees approved the allocation of an additional £3,000 to replenish this fund in this year.

The current level of free reserves is £46,399 and the trustees believe that this is sufficient to maintain working capital for the foreseeable future. It is the trustees' intention to maintain this reserve between £25,000 and £50,000.

Investment powers and policy

Under the memorandum and articles of association, the trustees of the charity have the power to invest as they see fit in the furtherance of the charity's objectives. The trustees' investment policy is to obtain as high an income as possible with low risk. Such funds should be easily accessible given the requirement to hold liquid funds to meet cash flow demands and unexpected liabilities. The funds are therefore invested with the Co-operative and Clydesdale Banks. The investments provided a return of 0.35% in the year ended 31st March 2021.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Future plans

The coming year presents new challenges as we rebuild and reengage following the impact of the Covid-19 pandemic. During 2021/22 we will focus on:

- Building on our ability to flex our operating model, we will gather wider opinion from our community to develop a programme that is continually responsive to the needs and interests of our audiences. Retaining the elements that resonate and redefining those that do not we will find project partners with shared ambitions and explore collaborations that bring an impactful range of opportunities to our programme. We will engage with artists and practitioners and experiment with the platforms we use to deliver our programme developing a complementary mix of online and live activity.

- We will make positive changes to our inclusivity and diversity, investing in an organisational wide development programme to embed the processes that will ensure we fully represent and reflect the diversity of the communities we serve into the future.

-

Report of the Trustees (continued)

- We will ensure we provide value for money by investing our resources, be they time or money, efficiently, continually reviewing where we direct our resources in relation to the needs and expectations of our young audiences and wider community.

- Ever mindful of our impact on future generations we will continue to implement our environmental action plan with a key focus this year on providing Carbon Literacy training for the staff team's Environmental Champion and developing a green page on our website to share our commitment and the wider action we take on a day-to-day basis.

Structure, governance and management

Pegasus Theatre Trust is a company limited by guarantee governed by its memorandum and articles of association dated 27 March 1995. It is registered as a charity with the Charity Commission. The liability of members in the event of a winding up is limited by guarantee to an amount not exceeding £1 per member. At the balance sheet date there were 10 members.

In October 2014 the company formed a subsidiary, Pegasus Theatre Productions Ltd.

Appointment of Trustees

Pegasus Theatre Trust as a registered charity is governed by a board of trustees who are also directors of the company. Details of the trustees and directors are given on page 1. Each trustee is expected to remain in office for five years and may be re-elected for one further three-year term but may not be re-elected for a further term in office unless exceptional circumstances apply. Recruitment takes place as required and is also informed by a regular skills audit to ensure the changing needs of the organisation can be supported.

All trustees have a discussion with the chair, other members of the board and joint chief executive officers prior to appointment which provides a summary of the trust's development to date and its current position. The new trustees have an opportunity to discuss the issues that arise and ask any questions. New trustees also receive a written role description, details of principal responsibilities and duties, recent minutes, some historical information and the current business plan, as well as the memorandum and articles of association and most recent accounts. All trustees receive an induction, which includes meeting the wider staff team, visits to a variety of Pegasus activities, in-house mentoring and training where necessary. Any trustee who will be in unsupervised contact with young people is required to be checked through the Disclosure and Barring Service.

Organisation

The Board of Trustees administer the charity. The board meets four times a year. In November 2018 the chairs' committee was disbanded and there are now two sub-committees which allow for more detailed discussion and scrutiny at separate meetings: the finance and resources committee meets four times a year prior to board meetings; the development committee meets four times a year.

The Executive Director as Chief Executive Officer directs the strategic development and day-to-day operations of the charity with the support of the Creative Learning Director and Development Director.

Key Management Personnel Remuneration

The trustees consider the Board of Trustees, Chief Executive Officer, Development Director and Creative Learning Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 19 to the accounts.

Trustees are required to disclose all relevant interests and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises. The pay of the key management personnel is reviewed annually by the trustees to ensure that it is fair and not out of line with similar roles.

Report of the Trustees (continued)

Related Parties

Arts Council England, Southeast and Oxford City Council provide essential core funding and have nominated representation on the board as non-voting observers.

Details of transactions with these organisations are provided in note 19 to the accounts. The charity has one wholly owned subsidiary which currently does not trade.

The chair of Pegasus Youth Board is co-opted as trustee to the board with full voting rights or as non-voting observer depending on age.

Fundraising Practice

The charity employs a Development Director with the remit to organise and undertake planned fundraising activity. The organisation has signed up to the Fundraising Regulator's Code of Fundraising Practice and the Development Director is a member of The Institute of Fundraising. Any direct fundraising marketing is undertaken by the Development Director to ensure it is not unreasonably intrusive or persistent. All fundraising material includes details of how to unsubscribe from all future mailings or contact. There have been no complaints made regarding fundraising activity during the year.

Risk Management

The trustees are responsible for the management of risks faced by the organisation. The board carries out a formal review of the charity's risk management processes on an annual basis and the charity maintains a risk register which is regularly monitored and reviewed by the board.

The key areas of risk where management failure would carry a potential threat to the organisation have been identified as follows: failures in statutory and regulatory compliance regarding the safeguarding of young people, reductions in income generated and failing to respond to changing funding environments, exceeding organisational capacity. The management of risk and the effectiveness of all material internal controls, including operational, financial and compliance controls is ongoing and reviewed and assessed by the senior management team, and is regularly reviewed by the board.

Statement of Trustees responsibilities

The trustees (who are also directors of Pegasus Theatre Trust for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with 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 Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of 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.
- observe the methods and principles in the Charities SORP.
- make judgments 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 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 Companies Act 2006. 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.

Report of the Trustees (continued)

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware.
- the trustees have taken all steps that they ought to make themselves aware of that information.

This report was approved by the Board of Directors and Trustees on **21 *September 2021*** and signed on its behalf by:

Bob Price
Director/Trustee (Chair)

Independent auditor's report to the members of Pegasus Theatre Trust

Opinion

We have audited the financial statements of Pegasus Theatre Trust (the "Charity") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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).

This report is made solely to the Charity'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 Charity's members those matters we are required to state in 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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted out audit in accordance with international Standards in 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 are independent of the Charity 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. 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 directors' 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 charity'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 directors 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 annual report other than the financial statements and out 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a

material misstatement in the financial statements or a material misstatement of the other information. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

We have nothing to report in this regard.

Opinions 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable law requirements.

Matters on which we are required to report by exception

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

- sufficient accounting records have not been kept;

- the financial statements are not in agreement with the accounting records and returns;

- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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/apb/scope/private.cfm This description forms part of our auditor's report.

Neil Kingston FCA (Senior Statutory Auditor)
For and on behalf of Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 29 Nov 2021

Statement of Financial Activities *(Incorporating an Income and Expenditure Account)*

	Note	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Income from:					
Grants and donations	2	**451,787**	84,109	**535,896**	452,860
Charitable activities	3	79,777	-	**79,777**	170,175
Investments		-	-	**-**	236
Total income		531,564	84,109	**615,673**	623,271
Expenditure on:					
Raising funds	4	41,344	-	**41,344**	44,563
Charitable activities	5	619,467	23,848	**643,315**	820,378
Total expenditure		660,811	23,848	**684,659**	864,941
Net income / (expenditure)	6	(129,247)	60,261	**(68,986)**	(241,670)
Transfers		15,000	(15,000)	**-**	-
Net movement in funds		(114,247)	45,261	**(68,986)**	(241,670)
Total funds at 1 April 2020		2,805,527	5,378	**2,810,905**	3,052,575
Total funds at 31 March 2021	17	2,961,280	50,639	**2,741,919**	2,810,905

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 14 to 25 form part of these financial statements.

Prior year fund comparatives are contained in note 8.

Balance Sheet at 31 March 2021 **Company No: 03038190**

	Note	£	**2021** **£**	2020 £
Fixed Assets				
Tangible Fixed Assets	10	2,428,242		2,594,369
Investments	11	1		1
			2,428,243	2,594,370
Current Assets				
Debtors	12	20,037		56,509
Stock	13	1,385		2,058
Cash at Bank and in Hand		364,963		232,328
			386,385	290,895
Creditors: Amounts Due Within 1 Year	14		**(72,709)**	(74,361)
Net Current Assets			**313,676**	216,534
Net Assets			**2,741,919**	2,810,905
Funds				
Restricted Funds	17		**50,639**	5,379
Unrestricted Funds	17		**2,691,280**	2,800,782
Total Funds			**2,741,919**	2,810,905

These accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The notes on pages 14 to 25 form part of these financial statements.

Approved and authorised for issue by the Board of Directors on **21 September 2021** and signed on its behalf by

Bob Price
Director/Trustee

Statement of Cash Flows

			2021	2020
			£	£
Net cash inflow from operating activities	**Notes**	**A**	142,698	(70,521)
Non - operational cashflows:				
Cash flows from investing activities				
Interest received			(182)	(236)
Acquisition of tangible fixed assets			(9,881)	(3,993)
Net cash outflow for the year	**Notes**	**B**	132,635	(74,750)

Notes to the Cashflow Statement

A. Reconciliation of net movement in funds to net cash inflow from operating activities

			2021	2020
Net movement in funds	**Notes**	**C**	(68,985)	(241,670)
Interest received			**182**	236
Decrease/(increase) in debtors			**36,472**	3,778
(Increase)/decrease in stock			**673**	(266)
Increase/(decrease) in creditors			**(1,652)**	(5,726)
Depreciation			**176,008**	173,127
Net cash inflow from operating activities			**142,698**	(70,521)

B. Analysis of changes in cash during the year

	2021	2020	**Change**
	£	£	**£**
Cash at bank and in hand	364,963	232,328	**132,635**

	2020	2019	**Change**
	£	£	**£**
	232,328	307,078	**(74,750)**

C. Cashflow restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cashflows for the year.

Notes to the financial statements

1. Summary of accounting policies

1.1 General information and basis for preparation

The financial statements have been prepared in accordance with the Companies Act 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard application in the UK and the Republic of Ireland (FRS 102). Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. Whilst it remains the Trustees' responsibility to prepare the financial statements, in common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

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.

The charity is a public benefit entity as defined under FRS 102.

1.2 Funds

Unrestricted funds 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 cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

The charity receives government grants via Arts Council England and Oxford City Council. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred. Investment income is all earned from cash holdings in bank deposit accounts. Other income includes gains on disposals of tangible fixed assets.

Notes to the financial statements (continued)

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising grants and donations include salaries, the cost of fundraising events and promotional material.

Expenditure on charitable activity includes production costs, fees paid for received programme, costs in relation to delivery of the participation programme and all other costs directly connected with activity the charity undertakes.

1.5 Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Overheads have been allocated on a per capita basis. The analysis of these costs is included in note 5

1.6 Tangible fixed assets

These are included at cost less accumulated depreciation. All fixed assets over £1,000 are capitalised. The company has built a new theatre which was commissioned in May 2010. Costs directly connected with the construction of the new theatre including architects' fees, structural engineers' costs and direct project management costs have been capitalised. Depreciation is calculated to write off their cost over their expected useful lives as follows:

Fixtures, fittings and equipment	4 years
Building	25 years

1.7 Stocks

Stock is included at the lower of cost or net realisable value. Stock consists of purchased goods for resale.

1.8 Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

1.9 Pension costs

The company operates a defined contribution pension scheme. The pension costs charged in the SoFA represent the contributions payable by the company during the year.

2.0 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and 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.

2.1 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Income from grants and donations

Core grants	Unrestricted £	Restricted £	**2021 Total £**
Oxford City Council	24,000	-	**24,000**
Arts Council England South East	305,493	-	**305,493**
Covid-19 JRS Scheme Grant	45,762	-	**45,762**
	375,255	**-**	**375,255**

Public grants	Unrestricted £	Restricted £	**2021 Total £**
Oxfordshire County Council	-	25,352	**25,352**
Oxford City Council	25,000	300	**25,300**
BBC Children in Need	-	35,457	**35,457**
	25,000	**61,109**	**86,109**

Other grants and donations	Unrestricted £	Restricted £	**2021 Total £**
Garfield Weston Foundation	1,250	-	**1,250**
PF Charitable Trust	6,667	-	**6.667**
Mr and Mrs JA Pye's Charitable Settlement	10,000	-	**10,000**
Cecil Pilkington Charitable Trust	1,000	-	**1,000**
Doris Field Trust	1,000	-	**1,000**
The Helen Hamlyn Trust	10,000	-	**10,000**
The Foyle Foundation	-	12,500	**12,500**
The Ammco Trust	-	500	**500**
A&H Pilkington Charitable Trust	1,000	-	**1,000**
Clore Foundation	-	5,000	**5,000**
The Barnsbury Charitable Trust	2,500	-	**2,500**
The Cameron Macintosh Fund	-	5,000	**5,000**
Donations – Corporate	500	-	**500**
Donations from Individuals	17,615	-	**17,615**
	51,532	**23,000**	**74,532**
	451,787	**84,109**	**535,896**

2. Income from grants and donations – continued

Prior year comparison (2019/20)

Core grants	Unrestricted £	Restricted £	**2020 Total £**
Oxford City Council	24,000	-	**24,000**
Arts Council England South East	299,973	-	**299,973**
Covid-19 JRS Scheme Grant	2,350	-	**2350**
	326,323	-	**326,323**

Public grants	Unrestricted £	Restricted £	**2020 Total £**
Oxfordshire County Council	-	26,812	**26,812**
Oxford City Council	-	4,000	**4,000**
BBC Children in Need	-	33,122	**33,122**
	-	63,934	**63,934**

Other grants and donations	Unrestricted £	Restricted £	**2020 Total £**
Garfield Weston Foundation	3,750	-	**3,750**
PF Charitable Trust	10,417	-	**10,417**
Mr and Mrs JA Pye's Charitable Settlement	10,000	-	**10,000**
Cecil Pilkington Charitable Trust	2,000	-	**2,000**
St Michaels & All Saints Charity	-	3,750	**3,750**
The Helen Hamlyn Trust	10,000	-	**10,000**
The Robert & Margaret Charitable Trust	1,000	-	**1,000**
Bartlett Charitable Trust	-	500	**500**
The Ammco Trust	-	1,000	**1,000**
The Arts Society Oxford	-	1,500	**1,500**
Donations - Corporate	3,400	-	**3,400**
Donations from Individuals	15,286	-	**15,286**
	55,853	6,750	**62,603**
	382,176	70,684	**452,860**

3. Income from charitable activities

			2021
Theatre and arts education activity	Unrestricted	Restricted	**Total**
	£	£	**£**
Ticket sales	595	-	**595**
Participation fees	13,229	-	**13,229**
Facilities hire	-	-	**-**
Hire fees (performances)	-	-	**-**
Touring Fees	-	-	**-**
Cafe Bar sales	279	-	**279**
Miscellaneous	1,449	-	**1,449**
Sponsorship	64,225	-	**64,225**
Theatre tax relief	-	-	**-**
	79,777	-	**79,777**

Prior year comparison (2019/2020)

			2020
Theatre and arts education activity	Unrestricted	Restricted	**Total**
	£	£	**£**
Ticket sales	38,172	-	**38,172**
Participation fees	33,732	-	**33,732**
Facilities hire	920	-	**920**
Hire fees (performances)	1,988	-	**1,988**
Touring Fees	5,442	-	**5,442**
Cafe Bar sales	14,887	-	**14,887**
Miscellaneous	115	-	**115**
Sponsorship	64,807	-	**64,807**
Theatre tax relief	10,112	-	**10,112**
	170,175	-	**170,175**

4. Expenditure on raising funds

	Total 2021	Total 2020
	£	£
Direct costs	40,085	42,537
Support costs	1,259	2,026
	41,344	44,563

5. Expenditure on charitable activities

	Direct costs £	Support costs £	**Total 2021 £**
Programme	37,406	34,156	**71,562**
Producing	57,566	34,156	**91,722**
Participation	105,235	34,662	**139,897**
Administration	65,307	1,137	**66,444**
Premises/ Front of House	64,745	24,946	**89,691**
Depreciation		176,009	**176,009**
Audit fees	5,585	2,405	**7,990**
	335,844	307,471	**643,315**

Prior year comparison (2019/2020)

	Direct costs £	Support costs £	**Total 2020 £**
Programme	65,176	45,930	**111,106**
Producing	99,883	45,930	**145,813**
Participation	136,641	47,589	**184,230**
Administration	78,409	2,855	**81,264**
Premises/ Front of House	90,330	29,782	**120,112**
Depreciation	-	173,128	**173,128**
Audit fees	-	4,725	**4,725**
	470,439	349,939	**820,378**

6. Net income/(expenditure)

This is stated after charging:	**2021 £**	2020 £
Auditors' remuneration	**4,725**	4,725
Operating leases	**-**	618
Depreciation	**176,009**	173,128

7. Staff costs and numbers

Staff costs were as follows:	**2021 £**	2020 £
Wages and salaries	**295,528**	285,963
Employer's National Insurance	**21,335**	21,218
Employer's pension contributions	**8,247**	7,115
	325,110	314,296

7. Staff costs and numbers – continued

No employee earned more than £60,000 during the year.

	2021	2020
	No.	No.
Average number (headcount) of employees	**13**	14

The total number of staff at the year-end was **12**

The total amount of employee benefits received by key management personnel is £130,309 (2020: £132,147). The charity considers its key management personnel comprise:

Executive Director - Chief Executive
Development Director
Creative Learning Director

No trustee received remuneration or claimed expenses in the current or prior year. Expenses waived during the year were £nil (2020 - £0).

8. Prior year comparison (2019/2020)

	Note	**Unrestricted £**	**Restricted £**	**2020 Total £**
Income from:				
Grants and donations	2	382,176	70,684	**452,860**
Charitable activities	3	170,175	-	**170,175**
Investments		236		**236**
Total income		552,587	70,684	**623,271**
Expenditure on:				
Raising funds	4	44,563	-	**44,563**
Charitable activities	5	753,986	66,392	**820,378**
Total expenditure		798,549	66,392	**864,941**
Net expenditure	6	(245,962)	4,292	**(241,670)**
Transfers		22,925	(22,925)	**-**
Net movement in funds		(223,037)	(18,633)	**(241,670)**
Total funds at 1 April 2019		3,028,564	24,011	**3,052,575**
Total funds at 31 March 2020	17	2,805,527	5,378	**2,810,905**

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. Tangible Fixed Assets

	Building	Fixtures and new theatre equipment	Fittings and equipment	Total
	£	£	£	**£**
Cost				
At 1 April 2020	4,262,613	523,443	33,165	**4,819,221**
Additions in year	-	-	9,881	**9,881**
At 31 March 2021	4,262,613	523,443	43,046	**4,829,102**
Depreciation				
At 1 April 2020	1,675,412	523,443	25,996	**2,224,851**
Charge for the year	170,504	-	5,505	**176,009**
At 31 March 2021	1,845,916	523,443	31,501	**2,400,860**
Net Book Value				
At 31 March 2021	2,416,697	-	11,545	**2,428,242**
At 31 March 2020	2,587,201	-	7,168	2,594,369

The purchase of Pegasus Theatre and the subsequent improvements, which were mainly funded through restricted donations, were discharged on the completion of the building. The remaining value (after depreciation) is reflected in the designated building fund. The Arts Council England (ACE) and the Big Lottery Fund hold charges over the property. The charge in favour of ACE is in accordance with their standard capital funding items.

11. Investments

	Shares in subsidiary undertakings
Cost	
At 1 April 2020	1
At 31 March 2021	1

The investment is made up of 100% of the share capital of Pegasus Theatre Productions Limited. Consolidated accounts have not been prepared as Pegasus Theatre Productions Limited was dormant throughout the whole period.

12. Debtors

	2021	2020
	£	£
Trade debtors	**12,564**	2,573
Prepayments	**7,473**	16,744
Other debtors		37,192
	20,037	56,509

13. Stock

	2021	2020
	£	£
Goods for resale	**1,385**	2,058

14. Creditors: Amounts due within 1 year

	2021	2020
	£	£
Trade creditors	**5,005**	3,057
Accruals	**9,830**	7,832
Deferred income	**32,708**	45,712
Amounts owed to group undertakings	**1**	1
Tax and social security	**9,899**	5,761
Other creditors	**15,266**	11,998
	72,709	74,361

15. Operating leases

At 31 March the organisation had total commitments under non-cancellable operating leases as set out below:

	Equipment 2021	Equipment 2020
	£	£
Less than 1 year	**-**	**618**
Between 2 to 5 years	**-**	**-**

16. Contingent liabilities

The Charity has provided a legal debenture over the property as valuable security in connection with the £2,700,000 grant from Arts Council, England. No provision has been made in respect of the grant or any other capital grant as the conditions attached are deemed unlikely to occur.

The Charity has provided a legal charge over the property as valuable security in connection with the £1,850,000 grant from the Big Lottery Fund. No provision has been made in respect of the grant or any other capital grant as the conditions attaching are deemed unlikely to occur.

17 Movement in funds

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
Restricted funds					
Oxfordshire Council (UMS)	**-**	24,835	(6,251)	(2,220)	**16,364**
Oxfordshire County (ENB)		517	(517)	-	**-**
Children in Need	**-**	35,457	(12,574)	(12,780)	**10,103**
Oxford City Council (AA)	**-**	300	(300)	-	**-**
Oxford City Council (DC)	**1,487**	-	-	-	**1,487**
Oxford City Council (CEP)	**2,329**	-	-	-	**2,329**
Foyle Foundation	**-**	12,500	-	-	**12,500**
Clore Foundation	**-**	5,000	(2,143)	-	**2,857**
St Michaels & All Saints	**1,563**	-	(1,563)	-	**-**
The Ammco Charitable Trust	**-**	500	(500)	-	**-**
Cameron Macintosh	**-**	5,000	-	-	**5,000**
	5,378	84,109	(23,848)	(15,000)	**50,639**
Unrestricted funds					
General funds	**29,746**	531,564	(490,307)	(24,603)	**46,400**
Designated funds:					
Strategic reserve	**154,184**	-	-	-	**154,184**
Asset replacement fund	**7,397**	-	-	36,603	**44,000**
Young Companies' Production fund	**27,000**	-	-	3,000	**30,000**
Building fund	**2,587,200**	-	(170,504)	-	**2,416,696**
	2,805,527	531,564	(660,811)	15,000	**2,691,280**
Total funds	**2,810,905**	615,673	684,659	-	**2,741,919**

Restricted funds:

Oxfordshire County Council – Funds for the delivery of *Under My Skin* & to support participants needs

Children in Need – funds to support the delivery of *Looking Forward* & *Acting Out*

Oxford City Council – funds to support the delivery of *Dawn Chorus* project and *Acting Out* project

Cameron Mackintosh Fund to support the delivery of 16-25 Young Company

Foyle Foundation – funds to support equipment and digital capacity

St Michaels & All Saints – funds to support the delivery of *Catalyst* project

Clore Foundation – funds to support the delivery of the creative learning programme

The Ammco Charitable Trust – funds to support the delivery of *Catalyst* project

Movement in funds (continued)
Designated funds:

Strategic reserve
Stands at £154,184 14 weeks of current gross expenditure sufficient to meet contractual liabilities should the organisation close or cease trading.

Asset replacement fund
Stands at £44,000 and is designated for the replacement of assets fixtures & fittings.

Young Companies' Production Fund
Stands at £30,000 and is been designated to underwrite young company productions over the period of the current business plan (2019-22) when sources of funding may be difficult to secure.

Building fund

The Building fund represents the residual value of grants from Arts Council England, South East, The Big Lottery Fund and other donations which contributed to the capital project (2010). The fund is reduced annually by the charge for depreciation of the building.

Prior year comparison (2019/2020)

	At 1 April 2019	Income	Expenditure	Transfers	**At 31 March 2020**
	£	£	£	£	**£**
Restricted funds					
Oxfordshire Council	**-**	26,812	(21,075)	(5737)	**-**
Children in Need	**1,385**	33,122	(19,346)	(15,161)	**-**
National Lottery	**6,464**	-	(4,437)	(2,027)	**-**
Oxford City Council (DC)	**1,487**	-	-	-	**1,487**
Oxford City Council (CEP)	**-**	4,000	(1,672)	-	**2,329**
Foyle Foundation	**12,425**	-	(12,425)	-	**-**
Arts Society Oxford	**-**	1,500	(1,500)	-	**-**
St Michaels & All Saints	**1,250**	3,750	(3,437)	-	**1,563**
Doris Field Trust	**1,000**	-	(1,000)	-	**-**
Bartlett Taylor Charitable Trust	**-**	500	(500)	-	**-**
The Ammco Charitable Trust	**-**	1,000	(1,000)	-	**-**
	24,011	70,684	(66,392)	(22,925)	**5,378**
Unrestricted funds					
General funds	**27,938**	552,587	(628,044)	77,265	**29,746**
Designated funds:					
Strategic reserve	**187,921**	-	-	(33,737)	**154,184**
Asset replacement fund	**25,000**	-	-	(17,603)	**7,397**
Young Companies' Production fund	**30,000**	-	-	(3,000)	**27,000**
Building fund	**2,757,705**	-	(170,505)	-	**2,587,200**
	3,028,564	552,587	(798,549)	22,925	**2,805,527**
Total funds	**3,052,575**	623,271	(864,941)	-	**2,810,905**

18. Analysis of net assets between funds

	Fixed Assets	Net Current Assets	**Total Funds**
	£	£	**£**
Restricted Funds	-	50,639	**50,639**
Unrestricted Funds			
Designated funds	2,416,696	228,184	**2,644,880**
General fund	11,547	34,853	**46,400**
Total funds as at 31 March 2021	2,428,243	313,676	**2,741,919**

Prior year comparison (2019/2020)

	Fixed Assets	Net Current Assets	**Total Funds**
	£	£	**£**
Restricted Funds	-	5,379	**5,379**
Unrestricted Funds			
Designated funds	2,587,201	188,581	**2,775,782**
General fund	7,168	22,576	**29,744**
Total funds as at 31 March 2020	2,594,369	216.536	**2,810,905**

19 Related party transactions

Information about related party transactions and outstanding balances is outlined below:
There were no related party transactions during the year or outstanding balances at 31 March 2021. (2020 £Nil)

In aggregate, Trustees made donations totalling £531 to the charity in the year. (2020: £886)