

# **Studio Wayne McGregor Limited**

Company Registration No. 02985577 | Charity Registration No. 1090055

## **Trustees' Report and Financial Statements**

**For the year ended 31 March 2023**

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

FOR THE YEAR ENDED 31 MARCH 2023

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## REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

<b>REGISTERED CHARITY NAME:</b>	Studio Wayne McGregor Limited
<b>TRUSTEES:</b>	Cordelia Barker (Stepped down Oct 2022) Ciarán Barr (Chair, Finance & Audit Committee) Stephanie Dittmer Liam Freeman Peter Kenyon Suhair Khan (Chair) Aleks Krotoski (Stepped down Oct 2022) Mthuthuzeli November Jaimie Tapper Louise Verrill
<b>SENIOR STAFF MEMBERS:</b>	Wayne McGregor (Artistic Director) Rebecca Marshall (Executive Director)
<b>SECRETARY:</b>	Rebecca Marshall
<b>REGISTERED OFFICE:</b>	Broadcast Centre, Here East 10 East Bay Lane Queen Elizabeth Olympic Park London E15 2GW
<b>BANKERS:</b>	National Westminster Bank plc 11 Upper Street, Islington London N1 0QF
<b>LEGAL ADVISORS</b>	Cripps Pemberton Greenish LLP Number 22 Mount Ephraim Tunbridge Wells Kent TN4 8AS
<b>REGISTERED AUDITORS:</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
<b>REGISTERED CHARITY NUMBER:</b>	1090055
<b>REGISTERED COMPANY NUMBER:</b>	02985577

# STUDIO WAYNE MCGREGOR LIMITED

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FOR THE YEAR ENDED 31 MARCH 2023

## EXECUTIVE FORWARD

In 22/23 Studio Wayne McGregor continued building back the breadth of our creative activity for which we are globally recognised. We are delighted in this year to have reached **over 1 million people** through our **live performances in 14 countries**; more than **26,000 people** through our **learning and engagement programmes in the UK and internationally**; and received **over 29 million views** from audiences around the world for our **multimedia, streaming and broadcast projects**. We are grateful and celebrate this impressive reach, particularly in light of the challenges of recent years.

During the year, Studio Wayne McGregor delivered **3 world premieres**, including the critically acclaimed *MADDADDAM*, a collaboration with Margaret Atwood and the National Ballet of Canada, the performance of **2 full works** (Tree of Codes and Future Self), and **excerpts from 2 additional works by Company Wayne McGregor**, the **restaging of 10 works at 7 international ballet companies**, including Paris Opera Ballet, and the **licensing of work to 4 UK educational institutions**. 2022 also marked the second year of Wayne McGregor's tenure as **Director of Dance for the Venice Biennale** and his appointment as **Guest Artistic Director of the National Youth Dance Company** for 22/23.

Studio Wayne McGregor supported Ukraine in the year of their invasion by Russia – Company Wayne McGregor performed at **Night for Ukraine's** Fundraiser at the Roundhouse and **Dance for Ukraine** at the London Coliseum with all proceeds donated to the Disasters Emergency Committee's Ukraine Humanitarian Appeal, as well as delivering an online choreographic workshop in partnership with the British Council, culminating in the creation of short dance films, for Ukrainian artists both still in the Ukraine as well as those who have fled.

The organisation was faced with a major challenge in April 2022 when the ceiling of our flagship Studio 1 collapsed. This led to a yearlong legal wrangle with our original contractors, which put great pressure on an organisation still in recovery from Covid. Even though we have made it through the year both financially and artistically, it placed an additional unfortunate strain on the organisation. Although SWM has historically had very low staff turnover, this year the number of staff moving on to other opportunities within the sector was up, however we have been fortunate to attract exciting, ambitious individuals, and the current team is now up to speed and driving forward the ongoing organisational strength.

As we emerge into a fundamentally changed cultural landscape, SWM is excited to remain at the forefront of the intersection of art and technology through explorations across the hybrid-reality spectrum with projects embracing VR, AR, XR, MR and robotics including our first **AR movement based phone app** with Niantic, the establishment of our Smart Studio with a remotely operated 5 camera streaming setup funded by Bloomberg, our ongoing **AI work** which will culminate in a few unique AI live performance experiments this autumn with the Royal Ballet, and the National Polish Orchestra and LPO, as well as the **R&D for our new work Deepstaria** for 2024 which will have a unique digital element that will be presented solely in the Metaverse.

We look forward to deepening and developing our commitment to freelance and interdisciplinary artists, and evolving the use of our world-class studio space to support both commercial income generation and radical creative freedom for our creative communities, including new artist residency programmes due to be introduced in 23/24, lead with our new Resident 6 artist residency which will sit alongside our iconic FreeSpace programme, providing free, no-barrier to entry studio space, and our Peer mentoring programme for young artists.

With funding from the Arts Council confirmed for 23/26, embedded in a creatively exhilarating and financially robust strategy for that period, with established Environmental and Inclusion structures and strategies that focus on our unique strengths and experiences, and strong governance and management frameworks firmly

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in place, Studio Wayne McGregor is well placed to continue its ongoing financial and artistic recovery, and blaze new trails for dance, interdisciplinary creativity and physical intelligence.



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Suhair F Khan  
Chair

# STUDIO WAYNE MCGREGOR LIMITED

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**FOR THE YEAR ENDED 31 MARCH 2023**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees present their report and the audited financial statements for the year ended 31 March 2023.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Company was incorporated on 1 November 1994 and is governed by its Memorandum and Articles of Association as amended by special resolution dated 24 September 2001. The Company is limited by guarantee and has no share capital. The Company was registered as a charity with the Charity Commission on 11 January 2002.

Board makeup of skills is regularly reviewed, particularly when a member resigns, and people with strengths in areas less represented on the board are put forward, often initially by the Artistic Director. In all instances, the individual is usually approached initially by the most relevant Board member, often the Chair and the choice is approved by all members. In 22-23, two existing long-term members stepped down.

On appointment Trustees are given the Company's Memorandum and Articles and most recent business plan, the most recent minutes and management accounts, the Board Terms of Reference, a copy of "The Essential Trustee: what you need to know, what you need to do" and the document 'What Studio Wayne McGregor expects from its Trustees'.

The Board of Trustees administers the charity and meets quarterly. The Board monitors the Company's progress against the current business plan. All day-to-day running decisions are made by the Executive Director. All artistic planning and policy decisions are made by the Artistic Director. All Trustees give their time voluntarily and receive no remuneration or other benefits from the charity.

The quarterly Finance & Audit Committee oversees and scrutinises the finances of the charity in detail and discusses and supports the management in financial and audit matters. The committee meets in advance of and reports back to each Board meeting.

The pay of the senior staff and all staff is reviewed annually and normally increased in accordance with average earnings to reflect a cost-of-living adjustment. In view of the nature of the charity the Trustees benchmark against pay levels in other similar charities of a similar size operating in the arts sector.

### **Risk Disclosure**

Studio Wayne McGregor has a formal risk management process through which the Senior Management Team identifies the major risks to which the organisation may be exposed. The Company has ranked these by likelihood and impact, culminating in a risk control document within the business plan which is updated and reviewed by the Board every six months. By this method, all significant risks, together with current mitigation actions, are reviewed regularly throughout the year by the Trustees. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

### **RISK MANAGEMENT**

The principal risks and uncertainties identified by the charity are as follows:

**Reserve Levels:** It has been agreed at board level that SWM will need to continue to apportion any surplus cash not needed to build back capacities and resource post Covid-19 to the interest and capital payments on the loans currently held by SWM. Once appropriate resource has been built back and loans commitments are paid off, increasing the cash reserve will become SWM's top financial priority. The Finance and Audit

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Committee of the board will continue to closely monitor financial performance, with a focus on ensuring a sustainable cash position, the delivery of planned activity, and SWM as a viable going concern.

Impact on engagement of international dancers as immigration laws become more complex. The impact of the new immigration laws on international dancers is the second area of high risk for SWM. Studio Wayne McGregor is renowned for its extraordinary, world-class dancers, and as we look to the future, and a changing artistic and activity model, we will likely see a need to audition for and hire a wider pool of dancers for shorter term contracts and projects, and so we are significantly more dependent on the UK dance training pathways to ensure we can maintain a uniquely diverse and extraordinary company of dancers, or on the immigration system to ensure we can obtain work visas for diverse dance talent from around the world.

## **OBJECTIVES AND ACTIVITIES**

The objects for which the Company is established, as set out in the governing document, are:

- To advance education for the public benefit by the promotion of the arts, in particular but not exclusively the art of dance.
- To present, promote, organise, provide, manage, and produce dramas, dance, operas, films, broadcasts, concerts, musical pieces, entertainments, exhibitions, tutorials, seminars, courses and workshops, whether on any premises of the Company or elsewhere.

In shaping the Company objectives for the year and planning activities, the Trustees have considered the Charity Commission's guidance on public benefit. The vision that shapes the Company's annual activities remains the promotion and fostering of knowledge and the appreciation of the arts by the provision of opportunities, both as observer and participator, for the education and recreation of the public in the field of dance.

The purpose and aims of Studio Wayne McGregor are intended for the benefit of the public. The Company engages the public through performances, installations, film, learning and engagement workshops, projects, residencies, research presentations and publications. This public engagement stimulates and enhances an understanding about dance and choreographic practice and provides new ways for the public to experience dance. Following the construction of its new building, the Studio also offers affordable studio hire space for a range of artists and organisations.

The Company's work has a wide geographical reach, presenting work and collaborating with partners nationally and internationally. Through all areas of its work, Studio Wayne McGregor strives to be inclusive and celebrates and champions diversity, presenting work in different spaces to engage a wider public beyond the traditional dance audience, and working with a wide range of individuals.

The Company's charitable aims are laid out in the business plan 2022 – 2023 and are monitored and reported on yearly. These are to:

1. Enable the creation of ambitious and broad-reaching work by Wayne McGregor, maintaining his reputation as an artistic visionary.
2. Create, perform, and share new ground-breaking artistic work by Wayne McGregor and Company Wayne McGregor across a mixed reality spectrum.
3. Support and develop artists to create and distribute their own work, and to develop professional and creative skills.

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4. Inspire others to explore, investigate, question and share through community-led programmes that offer life-long creative pathways, and through impactful and engaged live and digital experiences.
5. Establish and develop our state-of-the-art studio space as a creative arts space for making and collaborating and leverage the commercial potential of the space to support the delivery of our charitable and cultural mission.
6. Redefine a resilient business model for a post-pandemic market and sector, encompassing a diverse mix of earned, fundraised and statutory income to support the organisation's full scope of activity, and allow for renewed growth and necessary innovation in the current cultural climate.

## REVIEW OF ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

### CREATIVE WORK

- Reached 1,103,856 with 507 live performances across 14 countries.
- New creations included *LORE* for Teatro alla Scala, *MADDADDAM* for National Ballet of Canada and a new duet for Company Wayne McGregor performed exclusively at our 30<sup>th</sup> Anniversary event at Studio Wayne McGregor
- Company Wayne McGregor performed 4 works, including performances of *Tree of Codes* and *Future Self* at Helsinki Festival, a performance of *Tree of Codes* at Esplanade Festival in Singapore, performances of *Future Self* and a new duet at our 30<sup>th</sup> Anniversary event at Studio Wayne McGregor, and excerpts from *Tree of Codes* and *Autobiography* as part of This Bright Land and the New Zealand Cyclone Relief Variety Show at Somerset House and The Salvation Army Regents Hall respectively.
- 10 works restaged at 7 international ballet companies.
- Licenced work to 4 educational institutions: Elmhurst Ballet School (*Atomos*), The Royal Ballet School (*PreSentient*), Trinity Laban (*FAR*), and Rambert School of Ballet and Contemporary Dance (*Entity*)
- Reached 15,480 with live screenings of *imagine...Wayne McGregor: Dancing on the Edge* as part of the Biennale Danza 2022 and an Open Studio Event at Studio Wayne McGregor, a screening of *Atomos* as part of an Open Studio Event at Studio Wayne McGregor, and national and international cinema screenings of a pas de deux from *Qualia* as part of The Royal Ballet's mixed programme A Diamond Celebration
- Reached an estimated audience of 9 million in TV and radio broadcast with content such as a broadcast of *Winged Bull in the Elephant Case* on BBC Two; radio interviews with Wayne McGregor featured on national and international programmes including BBC Radio 4's Front Row and Start the Week, BBC Radio 5's Live Drive and CBC's Metro Morning; and Venice Biennale Danza coverage and documentaries on international platforms.
- Reached 20.5 million through online content views including streaming of works such as *Dyad 1929* and a duet from *FAR* on Marquee TV, *The Dante Project*, *Infra* and *Yugen* on Royal Opera House Stream, and duets from *Borderlands* and *Infra* as part of Roberto Bolle's *Danza con me* on RaiPlay; on demand services for television and radio content including *imagine...Wayne McGregor: Dancing on the Edge* and *Winged Bull in the Elephant Case* on BBC iPlayer and Wayne McGregor interviews on BBC Radio 3, 4 and 5, Yle Uutiset, CBC and ICI
- Wayne McGregor's second programme as Director of Dance of the Venice Biennale, titled *Boundary-less*, ran from 22-31 July in Venice, Italy, with performances from artists including Saburo Teshigawara, Blanca Li and Rocío Molina, as well as installations and exhibitions by Tacita Dean, Tobias Gremmler and Indigo Lewin



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## LEARNING AND ENGAGEMENT

- Reached 26, 247 people, including professional dancers, dancers in training, schools, community groups, and those with no prior access to dance.
- Wayne McGregor was appointed the Guest Artistic director for the National Youth Dance Company, Sadlers Wells. Alongside 6 assistants from SWM's pool of artists, Wayne worked across the auditions process and residencies, preparing for the premiere of a new creation in April 23.
- Director of Licensing & Legacy, Antoine Vereecken, worked with the Contemporary Performance Ensemble at Jacob's Pillow, USA
- Recruited and started delivering PEER 2023, a mentoring programme for recent dance graduates. The programmes offer a range of interactions with the Studio to further develop the skills needed to prepare for a portfolio career. The cohort received action learning and mentee training ahead of mentoring by an artist of their choice.
- Delivered public creative movement sessions from the studio (January to March 2023) for young people aged 0-14yrs and adults over 50yrs, reaching 60 participants weekly.
- Upskilled Free Space artists and delivered a 5-week programme at The Garden School for participants with Autism.
- Opened the studio to the public to take part in a variety of taster classes, including a VR workshop and participatory VR performance.
- Delivered Biennale Danza College in Venice from May to July 2022, a professional development programme featuring classes, workshops as well as learning established repertoire & new creations. And delivered public workshops as part of the Venice Biennale to over 100 participants.
- Director of Licensing & Legacy, Antoine Vereecken, coached the dancers throughout the Prix de Lausanne 2023 competition. A solo from Chroma was included as part of the 'Contemporary Variations' section of the Prix de Lausanne 2023 competition.
- Associate Director, Odette Hughes, led a talk as part of the Wales Wide Training Programme
- The Oasis International School in China host the Wayne McGregor Dance Battle as part of an Academic Decathlon, the winner of which will be awarded the WM medal.
- Staged an excerpt of *PreSentient* at The Royal Ballet School, an excerpt of *Atomos* at Elmhurst Ballet School, an excerpt of *FAR* at Trinity Laban and an excerpt of *Entity* at Rambert School of Ballet and Contemporary Dance
- Delivered a summer school for young people as part of the Hot House Dance Summer School
- Delivered the Ukraine Living Archive Project as part of the British Council UK/UA Season. This online professional development and creation programme was centred on McGregor's AI.Soma – a world's first, machine learning choreographic tool developed specifically for McGregor with Google Arts and Culture Lab. 22 Ukraine dance artists were introduced to the AI tool, learn excerpts of McGregor's AI repertory and used AI.Soma individually to develop their own choreographic material.
- Delivered in-person workshops for The Royal Ballet School, Kingsmead Primary School, Central Saint Martin, Teatro Carcano in Milan, 14th Choreographic Coding Lab in Chatham, The Classical Collab - Auckland's Youth Dance Theatre, Esplanade and residencies for Elmhurst Dance Company and Nanyang Academy of Fine Arts in Singapore.
- Held Company Wayne McGregor auditions and Company class for professional dancers.
- Executive Director, Rebecca Marshall, led a session with twelve members of the management team of the Norwegian Opera and Ballet to discuss the importance of diversity and Studio Wayne McGregor's practice.
- Collaborated with Kingston School of Art 3rd Year Graphic Design students. As part of their coursework, the students are creating motion graphic works inspired by Tree of Codes and UNDANCE, speculatively located at the Studio.
- Ongoing mentoring partnership with SENSE, an inclusive dance programme.

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- As part of our ongoing relationship with the EurAsia Dance Project International Network we hosted a placement student from Hamburg in March 23.

## FINANCIAL REVIEW

### INCOME

- 14% of total income (£250,000) was realised from artistic activity showing an increase of 9% from the previous year which yielded just £80,000.
- Studio hire realised just 10% of total income (£175,000) compared to 17% of total income (£228,000) last year. This is due to the collapsed ceiling which rendered Studio 1 out of use for six months.
- 31% proportion of total income was from Arts Council England NPO grant (in 21/22 it was 23%, due to an early drawdown for another legal proceeding with contractors)
- Engagement income was 2.3% of total income (£38,000) compared to 5% (£68,000) in the previous year.
- With staff changes it was a challenging year for Development yielding only 9% (£155,000) of total income, compared to the previous year which made 21% (£291,311)
- A Theatre Tax Relief claim for cancelled production *Out of Nature* (Nov 21) generated £54,540 and 3% of total income. There was no claim in the previous year as there were no eligible productions.
- After the ceiling collapsed in Studio 1, SWM received from mediation with the contractor and two insurance claims of for the studio floor and for loss of rental.

### EXPENDITURE

- Unexpected expenditure for the ceiling repair capital project was £182,817 impeding cash flow, rental income and project delivery.
- An interest free short-term loan from WM of £140,000 was received for cash flow purposes.
- Building operational costs are rising, at 25% (£405,000) of expenditure, compared to the previous year which was £362,021 and 20% of expenditure.
- Repayments of £45,364 were made to Arts Impact Fund loan from April 2022 to March 2023 and £41,666 to CBILS
- Before charging the £235k building depreciation cost, the SOFA would show a £25k surplus on the year (2021: £184k)
- Artistic activity accounted for 15.3% (£255,000) of expenditure, compared to the previous year of 6% (£102,000) showing an upward trajectory towards more activity after the pandemic.

The collapse of the ceiling in Studio 1 was an unforeseen capital repair project. As it needed to be fixed swiftly, the consequences to cash flow were acute. The office was closed over the summer while remedial works took place and impacted our commercial revenue as the space was not available for rentals. After a period of uncertainty, the Studio was able to recoup on damages via mediation with the contractors and two insurance claims for contents and business interruption.

Although the year was largely characterised by the collapse, we are pleased to report a positive outcome with net incoming funds from operations of £23,923. 20% more activity was developed and produced than the previous, showing an upward trajectory in the second-year post pandemic.

SWM's principal sources of income are:

- Fees to touring and presenting partners, via projects and licensing
- Arts Council Funding as a National Portfolio Organisation

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- Fundraising donations from a mixture of donations from individuals, grants from trusts and foundations and corporate sponsorship

We are pleased to have been offered continued Arts Council England funding at current levels as a National Portfolio Organisation for the 3 years April 2023 to March 2026.

## FUNDRAISING POLICY

A mixed model of income generation remains key to Studio Wayne McGregor's fundraising strategy, and we are grateful for the support received this year from trusts and foundations, individuals, local authority, corporate sponsorship, and Arts Council England.

Studio Wayne McGregor employs an in-house Development Manager who specialise in philanthropy and grants fundraising. Studio Wayne McGregor does not employ any third-party professional fundraisers (either individuals or organisations) and has no commercial partners contributing to fundraising efforts.

Studio Wayne McGregor is not yet registered with the Fundraising Regulator. The charity has not received any complaints about fundraising activities. In addition to philanthropy and grants fundraising, Studio Wayne McGregor offers members of the public the opportunity to donate through its website and is committed to fundraising in a way that meets the expectations of the public and respects the rights of all individuals. The company continues to develop a robust GDPR policy to ensure data practices are compliant.

In 2022-2023 we continued to steward and nurture our relationships with funders including Arts Council England, Burberry, Wayne McGregor Foundation, the British Council, Three Monkeys, Bloomberg Philanthropies and others. We also invested in the organisation's long-held relationships with private philanthropists and continued to develop and diversify funding for our local programme in East London. The development team launched a more robust individual giving campaign in 21/22, focusing around 4 areas of individual support – Dancers, Artists Development, Technology R&D and Hyperlocal Programme. Further investment in development resource is planned for 2023-2024 as the Studio transitions to support digital projects and the development of the 'Smart Studio'.

## RESERVES POLICY

The company's reserves are split across restricted, designated and general, the latter otherwise referred to as free reserves.

The balance of two unspent restricted funds, £36,946 will to be carried forward to 23/24 and it is envisaged that all will be spent in the year.

The designated funds for Building Reserve and Fixed Asset reserve are held to provide for the future depreciation costs of capitalised assets. The annual depreciation charge is shown as expenditure and new additions to the reserve are shown as transfers from General Funds. Holding a designated reserve means that asset depreciation costs are always ringfenced:

Building Reserve – The total cost of the building construction was partly funded by the AIF loan and our own reserves. As the balance of the AIF loan is paid down and General Funds are transferred, to offset the amount being held in the reserve, the Building Reserve value will move closer to the figure in the Fixed Asset note. The balance, £3,252,207 (21/22: £3,390,854) is held to provide for future depreciation expense. Until the balances are matching, we are unable to build free reserves.

Fixed Asset Reserve – with an annual depreciation charge of £18,468, the balance held to provide for

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future depreciation is £29,457 (21/22: £47,088)

The final designated reserve comprises funds allocated towards future re-staging projects that may need additional support. Any surplus on re-staging projects is allocated to this specific reserve and represented as income.

With 96% of all the unrestricted funds held against the asset value of the building, designated funds held to provide for future depreciation and future re-staging works and the remainder being restricted, the company had no free reserves at year end. If there was profit, the free reserves would be increased with a view to reaching £400,000 which is approximately three months of expenditure.

### FUTURE PLANS

Company Wayne McGregor relaunched in 2023 with the creation of a new work, UniVerse, in May 2023 which will be touring from Autumn 2023 alongside our existing work, Autobiography. There continues to be great demand for new works on international companies (Dutch National Ballet and Opera) as well as the restaging of existing work (Ballet Zurich, Royal Danish Ballet, Royal Ballet). Learning work is flourishing both in and outside the Studio with a stronger focus on Artist Development. Demand for studio space hire is building with the return of the full studio in Sept 2022 and new longer-term rentals are now a strong part of the financial mix.

### Statement of the Board of Trustees' responsibilities for the financial statements

The Trustees, who are also directors of Studio Wayne McGregor for the purpose of Company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year and not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of the affairs of the Charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 assume that the charitable Company will continue on that basis

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable Company and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information

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included on the charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Each of the directors, who held office at the date of approval of this Trustees' Report, has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are made aware of such information.

Approved by the Trustees on 21 November 2023

and signed on their behalf by:



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Rebecca Marshall  
Secretary

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## Independent auditor's report to the members of Studio Wayne McGregor Limited

### Opinion

We have audited the financial statements of Studio Wayne McGregor for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet, the Statement of Cash Flows 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 that 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' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

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## Independent auditor's report to the members of Studio Wayne McGregor Limited

- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

### Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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.

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law and company law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006 and Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations,

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

**FOR THE YEAR ENDED 31 MARCH 2023**

## **Independent auditor's report to the members of Studio Wayne McGregor Limited**

- Review of minutes of meetings held in the year;
- Postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Weaver (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor  
Date: 27 November 2023

10 Queen Street Place  
London  
EC4R 1AG



# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

## STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Restricted £	Unrestricted £	Total 2023 £	Total 2022 £
<b>Income from</b>					
Donations and Legacies	4	28,740	891,250	<b>919,990</b>	939,712
<u>Charitable activities</u>					
Projects & Performances	5	-	249,215	<b>249,215</b>	80,006
Learning & Engagement		-	38,677	<b>38,677</b>	68,412
Studio Hire		-	175,229	<b>175,229</b>	228,532
Other	6	-	314,725	<b>314,725</b>	31,417
Investments	7	-	906	<b>906</b>	73
<b>Total Income</b>		<b>28,740</b>	<b>1,670,002</b>	<b>1,698,742</b>	<b>1,348,152</b>
<b>Expenditure on</b>					
Raising Funds	8	-	154,900	<b>154,900</b>	169,134
<u>Charitable Activities</u>	9				
Projects & Performances		-	932,509	<b>932,509</b>	777,718
Learning & Engagement		29,645	175,881	<b>205,526</b>	373,199
Studio Hire		-	616,760	<b>616,760</b>	413,908
<b>Total Expenditure</b>		<b>29,645</b>	<b>1,880,050</b>	<b>1,909,695</b>	<b>1,733,959</b>
<b>Net expenditure for the year before transfers</b>		<b>(905)</b>	<b>(210,048)</b>	<b>(210,953)</b>	<b>(385,807)</b>
<b>Transfer between funds</b>		<b>(5,729)</b>	<b>5,729</b>	<b>-</b>	<b>-</b>
<b>Net expenditure for the year after transfers</b>		<b>(6,634)</b>	<b>(204,319)</b>	<b>(210,954)</b>	<b>(385,807)</b>
Fund balances at 1 April 2022		43,580	3,553,006	<b>3,596,586</b>	3,982,394
<b>Fund balances at 31 March 2023</b>		<b>36,946</b>	<b>3,348,687</b>	<b>3,385,633</b>	<b>3,596,586</b>

All income and expenditure derive from continuing activities.

Movement in funds are disclosed in Note 22.

Full comparatives for the year to 31 March 2022 are shown in note 20.

# STUDIO WAYNE MCGREGOR LIMITED


(A company limited by guarantee)

## Statement of Financial Position

FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023	2022
		£	£
<b>Fixed Assets</b>			
Tangible assets	13	29,457	47,087
Capital project assets	13	<u>3,855,200</u>	<u>4,072,563</u>
		<b>3,884,657</b>	<b>4,119,650</b>
<b>Current assets</b>			
Debtors	14	557,604	223,664
Cash at bank		<u>32,193</u>	<u>323,436</u>
		<b>589,797</b>	<b>547,100</b>
<b>Creditors:</b> amounts falling due within one year	15	<b>(485,184)</b>	<b>(309,101)</b>
<b>Net current assets</b>		<b>104,613</b>	<b>237,999</b>
<b>Long Term Liabilities:</b>			
Arts Impact Fund Loan	16	<b>(71,989)</b>	<b>(119,045)</b>
NatWest CBILS Loan	16	<b>(158,333)</b>	<b>(214,595)</b>
Rent Accrual	16	<b>(373,314)</b>	<b>(427,423)</b>
<b>Net assets</b>		<u><b>3,385,633</b></u>	<u><b>3,596,586</b></u>
<b>Charity funds</b>			
Restricted funds	21	<b>36,946</b>	<b>43,580</b>
Unrestricted fund	21	<b>3,348,687</b>	<b>3,553,006</b>
<b>Total funds</b>		<u><b>3,385,633</b></u>	<u><b>3,596,586</b></u>

The financial statements were approved by the Trustees on 21 November 2023 and signed on their behalf by:



Suhair Khan (Chair)

The notes on pages 19 to 34 form part of these financial statements.

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

## Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Net cash used in operating activities	A	<u>(344,283)</u>	<u>(176,878)</u>
Cash flows from investing activities			
Interest income		906	77
Purchase of tangible fixed assets		<u>(836)</u>	<u>(18,015)</u>
Cash provided by / (used in) investing activities		<u>70</u>	<u>(17,938)</u>
Cash flows from financing activities			
Cash inflows from new loan		140,000	-
Loan repayments		<u>(87,031)</u>	<u>(100,000)</u>
Cash provided by / (used in) financing activities		<u>52,969</u>	<u>(100,000)</u>
Decrease in cash and cash equivalents in the year		<u>(291,244)</u>	<u>(294,816)</u>
Cash and cash equivalents at the beginning of the year		323,436	220,360
Total cash and cash equivalents at the end of the year		<u><u>32,193</u></u>	<u><u>(74,456)</u></u>

### A: Reconciliation Of Net Expenditure To Net Cash Flow From Operating Activities

	2023 £	2022 £
Net Expenditure for the reporting period	(210,954)	(385,808)
Adjustments for:		
Increase in rent accrual	(54,109)	(13,383)
Investment income	(906)	(77)
Depreciation charge	235,830	253,149
(Increase)/decrease in debtors	(333,940)	150,830
Increase/(decrease) in creditors	19,796	(181,589)
Net cash used in operating activities	<u><u>(344,283)</u></u>	<u><u>(176,878)</u></u>

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

### 1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### 1.1 Legal status

Studio Wayne McGregor is a company limited by guarantee registered in England and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

#### 1.2 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (2nd edition, effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Studio Wayne McGregor meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### 1.3 Preparation of accounts on a going concern basis

The trustees consider there are no identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised. The Finance and Audit Committee regularly scrutinises management information, cash flow and financial reports. The company is prudent in terms of income recognition and projections from confirmed artistic activity.

Through the dedicated work of SWM team, the company has successfully secured NPO funding for the 2023 – 2026 period. Despite the challenges of an unexpected Capital Repair project with knock on effects to rental income, the company remained resilient and positive. It has been an intensive period of work, and that energy and drive can now be focused on earned income from touring and rentals, and on development which is the highest and most uncertain income target.

The review of our financial position and future plans gives trustees confidence the charity remains a going concern for the foreseeable future.

#### 1.4 Income recognition

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

#### 1.5 Grants

Grants receivables are treated in accordance with the Charities SORP and are not recognised until the conditions for recognition have been met. Where cash is received prior to the recognition criteria being met, the income is deferred and held on the balance sheet.

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

### 1.6 Gifts in kind

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as incoming resources only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

### 1.7 Expenditure

Expenditure is analysed as follows:

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned based on estimated usage as a proportion of directly attributable expenditure.

### 1.8 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purpose. The charity is not exempt from VAT which is included with the expenses to which it relates on the Statement of Financial Activities.

### 1.9 Foreign currencies

Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the date on which transactions occur, except for:

- (i) monetary assets and liabilities which are translated at the rate ruling at the balance sheet date (other than those in (ii) below); and
- (ii) transactions to be settled at a contracted rate and trading transactions covered by a related or matching forward contract which are translated at those contracted rates or matching forward contract which are translated at those contracted rates.

Differences arising on the translation of such items are dealt with in the Statement of Financial Activities.

### 1.10 Operating leases

Rental charges are charged on a straight-line basis over the life of the lease.

### 1.11 Fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

Office Fixtures & Fittings	25% pa straight line
Studio & Theatrical equipment	25% pa straight line
Construction costs	4% pa straight line

Assets costing more than £200 with at a use of more than four years are capitalised.

### **1.12 Financial instruments**

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

### **1.13 Debtors**

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

### **1.14 Cash at bank and in hand**

Cash at bank and cash 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.

### **1.15 Creditors and provisions**

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

### **1.16 Funds**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

### **1.17 Employee benefits**

- **Short term benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

- **Pension scheme**

Studio Wayne McGregor operated an auto-enrolment pension scheme during the year through Smart Pension and all eligible employees were auto-enrolled. Studio Wayne McGregor made employer contributions and those pension costs are included in the financial statements.

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

### 2. Judgements and key sources of estimation uncertainty

In preparing the accounts the Trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

### 3. Net income / (expenditure)

This is stated after charging:

	2023	2022
Depreciation of tangible fixed assets:		
- Fixed assets	18,468	25,216
- building	217,363	217,363
Auditors' remuneration	13,000	9,600
Payments under operating leases	616,602	413,908

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

<b>4. Income from Donations, Legacies &amp; Grants 2023</b>	<b>Restricted funds 2023</b>	<b>Unrestricted funds 2023</b>	<b>Total funds 2023</b>
Arts Council England	-	524,692	<b>524,692</b>
Trusts, Foundations & Corporate	28,740	317,176	<b>345,916</b>
Individuals	-	49,382	<b>49,382</b>
	<b>28,740</b>	<b>891,250</b>	<b>919,990</b>

<b>4a. Income from Donations, Legacies &amp; Grants 2022</b>	<b>Restricted funds 2022</b>	<b>Unrestricted funds 2022</b>	<b>Total funds 2022</b>
Arts Council England	27,430	319,692	<b>347,122</b>
Cultural Recovery Fund/ Emergency Respond Fund	-	328,709	<b>328,709</b>
Trusts, Foundations & Corporate	54,942	-	<b>54,942</b>
Individuals	125,000	83,939	<b>208,939</b>
	<b>207,372</b>	<b>732,340</b>	<b>939,712</b>



# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

### 5. Projects & Performances Income

Income was received from the following geographical markets:

	2023	2022
United Kingdom	121,355	7,078
European Union	92,409	65,358
Rest of the World	35,451	7,570
	<u>249,215</u>	<u>80,006</u>

### 6. Other

	2023	2022
Ceiling Repairs Insurance Claims	314,725	-
Coronavirus Job Retention Scheme (Furlough)	-	31,417
	<u>314,725</u>	<u>31,417</u>

### 7. Investments

	2023	2022
Bank Interest Receivable	906	73

### 8. Expenditure on Raising Funds

	2023	2022
Direct Costs incl. Staff Costs	133,663	148,122
Support Costs	21,237	21,012
	<u>154,900</u>	<u>169,134</u>

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

<b>9. Charitable Expenditure 2023</b>	Direct Costs	Support Costs	<b>2023</b>
Projects & Performances	277,845	654,665	<b>932,510</b>
Learning & Engagement	89,174	116,352	<b>205,526</b>
Studio Rental	4,929	611,831	<b>616,760</b>
	<b>371,948</b>	<b>1,382,848</b>	<b>1,754,796</b>

<b>9a. Charitable Expenditure 2022</b>	Direct Costs	Support Costs	<b>2022</b>
Projects & Performances	169,103	608,615	<b>777,718</b>
Learning & Engagement	239,396	133,803	<b>373,199</b>
Studio Rental	10,430	403,478	<b>413,908</b>
	<b>418,928</b>	<b>1,145,897</b>	<b>1,564,826</b>

<b>10. Support Costs</b>	<b>2023</b>	<b>2022</b>
Artistic Staff & Costs	<b>448,261</b>	360,777
Office & Administration Costs	<b>50,847</b>	140,205
Building Costs	<b>554,945</b>	357,002
Depreciation	<b>235,830</b>	230,450
Governance Costs	<b>92,964</b>	57,463
	<b>1,382,847</b>	<b>1,145,897</b>

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

<b>11. Governance Costs</b>	<b>2023</b>	<b>2022</b>
Salaries	<b>18,461</b>	18,149
Audit Fee	<b>13,000</b>	9,600
Other	<b>46,689</b>	39,314
	<b>78,151</b>	67,063

<b>12. Fees and Salaries</b>	<b>2023</b>	<b>2022</b>
Staff fees, salaries and pensions	<b>511,824</b>	573,418
Dancers' fees and pensions	<b>106,834</b>	155,613
Technical fees	-	7,076
Employer National Insurance	<b>38,676</b>	42,463
	<b>657,334</b>	778,570

The average number of staff employed during the year was:	<b>2023</b>	<b>2022</b>
Artistic	<b>5</b>	11
Administrative	<b>12</b>	10
	<b>17</b>	21

	<b>2023</b>	<b>2022</b>
The average number of dancers contracted during the year was:	<b>15</b>	3

No member of staff was paid between £60-£70k in the year (2022: nil)

No Trustees were reimbursed any expenses, during the year (2022: £nil).

The total remuneration paid to key management personnel in the year was £112,151.62 (2022: £103,098).

The key management personnel are considered to be the Artistic Director and Executive Director.

No Trustees received any remuneration during the year (2022: nil)

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

### 13. Tangible Fixed Assets

	Fixtures & Fittings	Building	Total
<b>Cost</b>			
As 1 April 2022	431,402	5,153,629	5,585,031
Additions	837	-	837
Disposals	-	-	-
<b>At March 2023</b>	<b>432,239</b>	<b>5,153,629</b>	<b>5,585,867</b>
<b>Depreciation</b>			
At 1 April 2022	384,314	1,081,066	1,465,380
Disposals	-	-	-
Charge for the year	18,468	217,363	235,831
<b>At March 2023</b>	<b>402,782</b>	<b>1,298,429</b>	<b>1,701,211</b>
<b>Net book value</b>			
At 31 March 2023	<u>29,457</u>	<u>3,855,200</u>	<u>3,884,657</u>
At 31 March 2022	<u>47,088</u>	<u>4,072,563</u>	<u>4,119,651</u>

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

<b>14. Debtors</b>	<b>2023</b>	<b>2022</b>
Trade Debtors	<b>2,331</b>	31,789
Other Debtors	<b>49,329</b>	23,408
Prepayments and Accrued Income	<b>505,944</b>	168,468
	<b>557,604</b>	223,665

<b>15. Creditors</b>	<b>2023</b>	<b>2022</b>
Bank Loans	<b>101,263</b>	84,976
Other Loans	<b>140,000</b>	-
Trade Creditors	<b>156,785</b>	30,792
Other Taxation and Social Security	-	12,204
Other creditors	<b>4,367</b>	4,702
Accruals	<b>48,019</b>	15,518
Deferred Income	<b>34,750</b>	160,908
	<b>485,184</b>	<b>309,100</b>

### 16. Loans and Rent Accrual

Studio Wayne McGregor took a £500k loan from Arts Impact Fund (AIF) to support the cashflow for the capital project in February 2017. The original agreement gave 4 years to repay the loan on an interest only basis at 6% with a final lump sum due on 30/4/2021. £65k of the capital was paid down in March 2019 and a further £100k in March 2021. The repayment terms for the remaining £335k have been renegotiated on a capital and interest basis over the next 4 years, ending in March 2025.

A £250k Coronavirus Business Interruption Loan (CBILS) was agreed in principle prior to year end but funds were not drawn down until May 2021. The intention was to refinance the AIF loan in order to have a longer repayment period at a reduced interest rate. With covid19 reducing the ability of the company to generate income in the 21/22 financial year, the CBILS facility would increase the time to repay the loan whilst normal income streams were gradually re-established.

Under the terms of its lease, Studio Wayne McGregor was granted a two-year rent-free period plus one year at half rent at the start of the lease. An additional rent-free period was granted in 2022. In accordance with FRS 102, the cost of the rent for the life of the lease must be recognised on a straight-line basis over the 25 year lease period. Although no rent was actually paid in 2017, 2018 and 2022 the apportioned rent costs for these periods was recognised as an accrued expense in the Statement of Financial Activities in those financial years. An equal each year across the remainder of the 25-year lease, and the balance of the creditor will reduce to zero by 2042. The effect of this accounting treatment reduces the level of reserves the company holds when compared with its cash balances.

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

The element of the rent accrual which was released from 2019/20 onwards is represented on the balance sheet as a long-term liability as, although it is an accrual, it is not a cash creditor due within 12-months of the end of the accounting period.

<b>17. Analysis of Deferred Income</b>	<b>2023</b>	<b>2022</b>
At 1 April	<b>160,908</b>	38,792
Released to income in the year	<b>(160,908)</b>	(38,792)
Deferred in the year	<b>34,750</b>	160,908
At 31 March	<b>34,750</b>	160,908

Deferred income usually related to fees for company performances and studio hires to take place in the following financial year.

### 18. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purpose. The charity VAT registered with a partial exemption for irrecoverable VAT which is included with the expenses to which it relates on the Statement of Financial Activities.

### 19. Operating Lease Commitments

At the year end, the charity was committed to the following future minimum lease payment in respect of operating leases:

	<b>Land and buildings</b>	
	<b>2023</b>	<b>2022</b>
In less than one year	<b>169,556</b>	170,930
One year to five years	<b>726,804</b>	706,474
Longer than five years	<b>3,112,140</b>	3,262,944
	<b>4,008,500</b>	4,140,347

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

### 20. Comparative SOFA (2022)

	Restricted 2022	Unrestricted 2022	Total 2022
<b>Income from</b>			
Donations and Legacies	207,372	732,340	<b>939,712</b>
<u>Charitable activities</u>			
Projects & Performances	-	80,006	<b>80,006</b>
Learning & Engagement	-	68,412	<b>68,412</b>
Studio Hire	-	228,532	<b>228,532</b>
Other	-	31,417	<b>31,417</b>
Investments	-	73	<b>73</b>
<b>Total Income</b>	<b>207,372</b>	<b>1,140,779</b>	<b>1,348,152</b>
<b>Expenditure on</b>			
Raising Funds	-	169,134	<b>169,134</b>
<u>Charitable Activities</u>			
Projects & Performances	-	777,718	<b>777,718</b>
Learning & Engagement	187,384	185,816	<b>373,200</b>
Studio Hire	-	413,908	<b>413,908</b>
<b>Total Expenditure</b>	<b>187,384</b>	<b>1,546,576</b>	<b>1,733,960</b>
<b>Net income (expenditure)/income for the year</b>	<b>19,989</b>	<b>(405,797)</b>	<b>(385,808)</b>
<b>Transfer between funds</b>	<b>(46,718)</b>	<b>46,718</b>	<b>-</b>
<b>Net income (expenditure)/income for the year after funds transfer</b>	<b>(26,730)</b>	<b>(359,078)</b>	<b>(385,808)</b>
Fund balances at 1 April 2021	70,310	3,912,084	<b>3,982,394</b>
<b>Fund balances at 31 March 2022</b>	<b>43,580</b>	<b>3,553,006</b>	<b>3,596,586</b>

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

### 21. Statement of Funds

	Balance at 01.04.2022	Income	Expenditure	Transfers	Balance at 31.03.2023
<b>Designated Funds</b>					
Building Reserve					
- <i>net book value of building</i>	4,072,563	-	(217,363)	-	3,855,200
- <i>Arts Impact Fund loan</i>	(168,616)	-	-	-	(168,616)
- <i>NatWest CBILS Loan</i>	(250,000)	-	-	-	(250,000)
- <i>value held in general funds</i>	(263,093)	-	-	78,715	(184,378)
	3,390,854	-	(217,363)	78,715	3,252,207
Fixed Assets Reserve	47,088	-	(18,468)	837	29,457
Re-staging Reserve	67,023	-	-	-	67,023
	3,504,965	-	(235,830)	79,552	3,348,687
<b>General Funds</b>					
General Funds	48,041	1,670,002	(1,644,220)	(73,823)	-
Total Unrestricted Funds	<b>3,553,006</b>	<b>1,670,002</b>	<b>(1,880,050)</b>	<b>5,729</b>	<b>3,348,687</b>
<b>Restricted Funds</b>					
Garden Project ( <i>D'Oyly Carte Foundation</i> )	3,000	-	(2,150)	(850)	-
Digital Accelerator project. ( <i>Bloomberg Philanthropies</i> )	23,835	28,740.00	(19,260)	-	33,315
Dance Programme at Kingsmead Primary School ( <i>The Ironmongers' Company</i> )	4,696	-	(2,533)	(2,163)	-
Mentoring project ( <i>Idlewild Trust</i> )	4,895	-	(1,264)	-	3,631
Prismatic ( <i>London Borough of Hackney</i> )	7,154	-	(4,438)	(2,716)	-
Total Restricted Funds	<b>43,580</b>	<b>28,740</b>	<b>(29,645)</b>	<b>(5,729)</b>	<b>36,946</b>
	<b>3,596,586</b>	<b>1,698,742</b>	<b>(1,909,696)</b>	<b>-</b>	<b>3,385,633</b>



# **STUDIO WAYNE MCGREGOR LIMITED**

**(A company limited by guarantee)**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2023**

The Building Reserve designated fund is designed to show the studio construction costs as an asset separately from the Fixed Assets reserve and General Funds. The expenditure of £217,362 represents the depreciation charge. The value of the fund is limited by the charity's net assets position, as the designation value cannot create a deficit on the charity's general funds position. The surplus of £78,715 from unallocated funds are used to cover the prior years deficit general funds under building reserve designated funds.

The Fixed Assets Reserve designated fund is designed to show office and technical assets separately from General Funds which are freely for expenditure. The transfer of £837 represents addition capital purchases and expenditure of £18,468 represents the depreciation charge for the year.

The re-staging reserve holds any surplus to the re-staging work the company undertakes in order to support future re-staging work that may need additional support to ensure it can be delivered.

The carried forward balance of £38,315 represents the remaining balance of the Smart Studio project with Bloomberg Philanthropies, who partnered with the Studio to set up state of the art editing and AI integrating hardware to move forward the Studio's digital projects.

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

### 21. Statement Of Funds Comparative As Prior Year Figures

	Balance at 01.04.2021	Income	Expenditure	Transfers	Balance at 31.03.2022
<b>Designated Funds</b>					
Building Reserve					
- net book value of building	4,289,925	-	(217,363)	-	4,072,562
- Arts Impact Fund loan	(335,000)	-	-	166,384	(168,616)
- NatWest CBILS Loan	-	-	-	(250,000)	(250,000)
- value held in general funds	(133,514)	-	-	(129,579)	(263,093)
	3,821,411	-	(217,363)	(213,195)	3,390,853
Fixed Assets Reserve	23,650	-	(25,216)	48,654	47,088
Re-staging Reserve	67,023	-	-	-	67,023
	3,912,084	-	(242,579)	(164,541)	3,504,964
<b>General Funds</b>					
General Funds	-	1,140,779	(1,303,999)	211,260	48,040
Total Unrestricted Funds	<b>3,912,084</b>	<b>1,140,779</b>	<b>(1,546,578)</b>	<b>46,719</b>	<b>3,553,004</b>
<b>Restricted Funds</b>					
Ambition for Excellence (Arts Council England)	60,461	27,430	(87,891)	-	-
PEER Learning (Idlewild Trust)	1,972	-	(1,972)	-	-
Shoreditch & Hackney Art Fund (LB Hackney)	7,750	7,750	(15,500)	-	-
Young Leader (LB Hackney)	127	4,984	(5,111)	-	(0)
Garden Project (D'Oyly Carte Foundation)	-	3,000	-	-	3,000
Creative Bursary (Garfield Weston Foundation)	-	15,417	(15,417)	-	-
Youth Dance Group (Three Monkeys Trust)	-	5,000	(5,000)	-	-
Digital Accelerator project. (Bloomberg Philanthropies)	-	125,000	(54,447)	(46,718)	23,835
Dance Programme at Kingsmead Primary School (The Ironmongers' Company)	-	4,696	-	-	4,696
Mentoring project (Idlewild Trust)	-	4,895	-	-	4,895
Prismatic (London Borough of Hackney)	-	9,200	(2,046)	-	7,154
<b>Total Restricted Funds</b>	<b>70,310</b>	<b>207,372</b>	<b>(187,384)</b>	<b>(46,718)</b>	<b>43,580</b>
	<b>3,982,394</b>	<b>1,348,151</b>	<b>(1,733,962)</b>	<b>1</b>	<b>3,596,584</b>

# STUDIO WAYNE MCGREGOR LIMITED

(A company limited by guarantee)

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

### 22. Analysis of Net Assets Between Funds

	Restricted funds 2023	Designated funds 2023	Unrestricted funds 2023	Total funds 2023
Tangible fixed assets	-	29,457	-	29,457
Tangible fixed assets (building)	-	3,505,077	350,124	3,855,201
Current assets	36,946	67,023	485,828	589,797
Current liabilities	-	(101,263)	(383,921)	(485,184)
Long term Liabilities	-	(230,322)	(373,314)	(603,636)
	<u>36,946</u>	<u>3,269,972</u>	<u>78,717</u>	<u>3,385,635</u>

	Restricted funds 2022	Designated funds 2022	Unrestricted funds 2022	Total funds 2022
Tangible fixed assets	-	47,088	-	47,088
Tangible fixed assets (building)	-	3,809,471	263,093	4,072,564
Current assets	43,580	67,023	436,497	547,101
Current liabilities	-	(84,976)	(224,124)	(309,100)
Long term Liabilities	-	(333,640)	(427,423)	(761,063)
	<u>43,580</u>	<u>3,504,966</u>	<u>48,043</u>	<u>3,596,589</u>

### 23. Related Party Transactions

The aggregate donations received from the Trustees was £76,396 (2022: £600)

There was interest free loan of £140,000 from Wayne McGregor. (2022: £Nil)

### 24. Pension Contributions

The company contributed to an auto-enrolment scheme for its employees and dancers. The contributions payable is charged to the statement of financial activities. Pension contributions for the year amounted to £7,617.64 (2022: £10,785)