

THE KHAYAAL THEATRE COMPANY

England & Wales · Charity number 1100005

Details

Status	Registered
Legal form	Charitable company
Company number	03597083
Registered	2003-10-10
Register	View on the Charity Commission register

Contact

Address	PO Box 2523 2 Primrose Close Luton LU3 9BN
Phone	01582535840
Email	post@khayaal.co.uk
Website	www.khayaal.co.uk

Activities

Objects: THE OBJECTS OF THE CHARITY ARE SPECIFICALLY RESTRICTED TO THE ADVANCEMENT OF EDUCATION FOR THE PUBLIC BENEFIT BY THE PROMOTION OF THE ARTS, IN PARTICULAR BUT NOT EXCLUSIVELY:(I) ALL ASPECTS OF DRAMATIC ART INCLUDING THE ARTS OF DRAMA, MIME, OPERA, BALLET, MUSIC, SINGING, DANCE AND PAINTING;(II) THE DEVELOPMENT OF PUBLIC APPRECIATION OF ART BY THE PROVISION OF A THEATRE AND THE PRESENTATION OF PUBLIC PERFORMANCES;(III) THE DEVELOPMENT OF PUBLIC APPRECIATION OF ISLAMIC ART, CULTURE AND LITERATURE;(IV) THE PROVISION OF EDUCATIONAL MATERIALS AND SERVICES;(V) THE PROVISION OF FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION OR OTHER LEISURE TIME OCCUPATION OF INDIVIDUALS WHO HAVE NEED OF SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE INFIRMITY OR DISABILITY, FINANCIAL HARDSHIP OR SOCIAL CIRCUMSTANCES WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE;(VI) THE PROMOTION OF SOCIAL INCLUSION FOR THE PUBLIC BENEFIT BY WORKING WITH PEOPLE IN THE UNITED KINGDOM WHO ARE SOCIALLY EXCLUDED ON THE GROUNDS OF THEIR ETHNIC ORIGIN, RELIGION, BELIEF OR CREED (IN PARTICULAR, MEMBERS OF THE MUSLIM COMMUNITY) TO RELIEVE THE NEEDS OF SUCH PEOPLE AND ASSIST THEM TO INTEGRATE INTO SOCIETY, IN PARTICULAR BY ENCOURAGING THEM TO PARTICIPATE IN THE ACTIVITIES OF THE CHARITY.

Activities: The principal activity of the company continued to be that of producing theatre, storytelling, film and theatre-in-education programmes inspired by Muslim and interfaith literature, culture, art, heritage and contemporary experience.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, The General Public/mankind

Geography

- **Area of benefit:** NATIONAL AND OVERSEAS
- Scotland
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£173,818	£124,035	-	-
2024-07-31	£133,049	£110,192	-	-
2023-07-31	£101,402	£135,102	-	-
2022-07-31	£176,755	£136,620	-	-
2021-07-31	£163,772	£155,971	-	-
2020-07-31	£119,671	£88,446	-	-

Trustees

Name	Role	Appointed
FAHIM QURESHI	Chair	2012-11-02
Ayesha Gul Mian		2024-06-19
Galib Virani		2013-05-20

THE KHAYAAL THEATRE COMPANY

England & Wales - Charity number 1100005

Accounts

The Khayaal Theatre Company

Charity No. 1100005

Company No. 03597083

Trustees' Report and Unaudited Accounts

31 July 2025

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 July 2025.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 03597083

Charity No. 1100005

Registered Office

Flat 2
Primrose Close
Luton
LU3 1EU

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

A.G. Mian
F. Qureshi
G. Virani

Company Secretary

L.A. Ali

Accountants

Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF

OBJECTIVES AND ACTIVITIES

The objects for which the company is established are to promote, maintain, improve and advance public education particularly through the research, development, production and performance of drama and theatre inspired by and adapted from Muslim literature and the wisdom literature of other faith traditions.

The company's activities typically include the national touring of on-demand, small scale and high-quality stage performances delivered under its Theatre-without-Walls programme; running drama academies; devising and running theatre-in-education programmes; prospecting for and developing artistic talent; publishing children's books; training; advocacy and consultancy.

ACHIEVEMENTS AND PERFORMANCE

Theatre-without-Walls Programme

August – December 2024

Inspired by the sustained growth (10%) of our national network of multisector partners over 23-24, we began our year (24-25) responding with enthusiasm to demand for our unique storytelling theatre performances and workshops. Over the Aug-Dec 2024 period, we delivered 6 physical touring events nationally comprising 10 performances and workshops benefitting diverse and intergenerational audiences numbering 1000 people working with 8 mostly new partners (71%) across culture, community and education sectors in 5 local authorities in the South East of England.

Highlights of this period included a joyously received performance of a beautiful, hope-inspiring tale from Yemen on themes of generosity and ecology by Mohammed Sesay at Senate House in London for a duet of host partners, the Young Muslim Writer's Awards and the Institute of English Studies at the School of Advanced Study (University of London).

"Thank you again for arranging for Mohammed to perform at the Young Muslim Writers Awards (YMWA). We had really great feedback from the audience. It was a pleasure working with him." –

Zainab Chohan, YMWA, Nov '24

To make way for our former landlords' sale of our operating premises of 7 years (2017-2024), we had to find and relocate to new premises over the June-September '24 period resulting in substantial upheaval and disruptions to all of our service lines. Consequently, our Theatre-without-Walls outputs over this period (Aug-Dec '24) dropped by an average of 72% across key performance indicators (number of events, performance/workshop units and beneficiaries/participants) relative to the previous year ('23-24). However, from the start of '25 through to the end of our financial year (31 July) we were able to recover and return to levels of operability, reach and delivery that were comparable to or surpassed the same period of the previous year.

January – July 2025

Despite the substantial, deleterious and disproportionate ongoing impacts of the cost-of-living crisis and the Israel-Gaza war on our main core British Muslim audiences resulting in a discernible overall reduction in cultural activity and engagement, we were fortunately able to leverage relationships and partnerships with Muslim communities cultivated and consolidated over decades in order to continue advancing our mission, extending reach and deepening impact. Past experience with similar conditions left us in no doubt that we'd need to pull on all our levers of imagination, ingenuity and nimbleness in order to remain resilient and relevant. Generally British Muslim communities prioritise subsistence at home and humanitarian aid abroad in response to such contexts leaving less resources available for arts and culture.

Over the course of the seven-month period spanning January-July 2025, we delivered 40 touring events nationally comprising 52 performances and workshops benefitting diverse and intergenerational audiences numbering 4000 people working with 30 mostly new partners (new 60% - repeat 40%) across nine sectors (commercial, charity, community, culture, academia, education, faith/interfaith, health and public civic) in 18 local authorities in the East, East Midlands, West Midlands, South East, South West, Scotland and Greater London regions.

Highlights of this period include a summer performance of our popular biopic of Ibn Khaldun ('*Tea with Tamerlane*') the legendary historiographer and historian widely considered to be one of the fathers of sociology, demographic and economics at the biannual Muslim Charities Forum's Convention in London, one of the most influential civic Muslim forums in the UK; sell-out performances of *Tales till Ramadan* for the third year in The Door Studio at the Birmingham Rep in February; and a trio of successful performances of *Sufi Tales* at the Sufi Festival at the Tramway in Glasgow in July.

"Folk narratives not only inform, teach, entertain and convey morals, they also mould our understanding of the world, foster identity and reconnect us to our true selves." – J Parker on Tales till Ramadan, Feb 2025

"I attended Tales Till Ramadan on Saturday evening with one of my professors visiting from Türkiye. We both loved how you vitalised the stories, gave them spirit, and shared tales from parts of the world where we had never heard a single story before. We felt especially connected as you opened and closed the event with stories from Mevlana Celaleddin Rumi. The decorations were truly inspiring—each object, light, and costume came together in perfect harmony. Heartfelt congratulations on such a meaningful and excellent production." – Hamide Elif Uzumcu, Edinburgh University on Tales Till Ramadan, Birmingham Rep, Feb 2025

"We just had an incredible performance by Khayaal Theatre at#MCC2025! They brought powerful stories to life with heart, faith and creativity." – Muslim Charities Convention, London 5 Jul 25

"Utterly beautiful storytelling! A pleasure to see and hear. Thank you!" – Nina & Friends on Sufi Tales, Sufi Festival, 20 Jul 25

Other noteworthy partnerships over this period include the delivery of 16 weekly drama drop-in sessions for Muslim mental health service users in partnership with Outside Edge Theatre Company funded by The Baring Foundation at The Brady Arts Centre in Tower Hamlets and the staging of Ramadan Tales for the rating agency Moody's Muslim network in Canary Wharf that was live streamed to Moody's offices in New York, Paris, Dubai and Frankfurt.

"Thank you all for coming in and doing the performance we really enjoyed it and had some great feedback. Thank you for staying for the iftar and all your efforts and patients in getting in and out of our building." – Imran, Moody's, Mar 25

Additional partners over this period in chronological order included Luton Culture, An-Nisa Supplementary School, Brent; Hand on Heart and Beta Charitable Trust, Hillingdon; Coombe Hill Junior School, Kingston-upon-Thames; Salaam Centre, Harrow; Bluecoat Bentick Primary Academy, Nottingham; Society of Friends, Luton Council of Faiths and Grassroots, Luton; Cambridge Muslim Community; Queensbridge Primary School, Hackney; Lantern of Light, Watford; Katherine Warrington School, Harpenden; Manor Side and Tudor Primary Schools, Barnet; Wiltshire Ethnic Police Association and Standing Advisory Committee for Religious Education, Luton.

2024-2025 Facts & Figures

Physical Output

Events: 46 (23-24: 61 | 22-23: 53)

Physical Performances & Workshops (units): 62 (23-24: 90 | 22-23: 86)

Multi-Sector Host Partners: 38 (23-24: 48 | 22-23: 53)

Local Authorities Reached: 18 (23-24: 25 | 22-23: 25)

Live Audiences/Beneficiaries: 5,000 (23-24: 8,500) (25% of potential audience based on logged demand)

NB: Drop in outputs and reach this year resulted from premises relocation disruption and upheaval as well as socio-cultural and economic contraction of our core Muslim community audiences (as explained above).

Average Lead Time (from booking to delivery): 6 weeks

Sectors: Academia, Charity, Community, Culture, Education, Health, Faith/Interfaith, Commercial and Civic/Public (Police)

Requests Logged: 101 (23-24: 125 | 22-23: 130)

New Partners/Requests: 23/77 (23-24: 88 | 22-23: 91)

Repeat Partners/Requests: 15/23

Estimated Potential Physical Audience: 20,000

Artists & Staff (core, freelance and volunteers): 16

Kat Ali, Luqman Ali, Mohammed Ali, Yusef Ali, Thomas Gray, Maria Goldrin, Karima Grillo, Nazar Hadi, Ryad Khodabocus, Saida El-Moujahid, Eleanor Martin, Serena Slack-Robins, Bela Romer, Mohammed Sesay, Abbas Shah, Mariam Zaidi, Zeeniya Ziyad (76% from racialised/minoritised communities / 52% female)

Digital Output

Digital Content Offerings (Films and Audios): 14

Channels/Platforms: Facebook, Instagram, YouTube, Vimeo, Linked-In, Tik-Tok, Bluesky, Soundcloud and Amazon Add-on Channel, Alchemiya

Digital Events:

23rd Dec 2024: Online screening (1hr) of Muslim Nativity for Al-Manaar, London hosted by Kristiane Backer

14 Jan 2025: Online Storytelling Workshop (45min) for Fitrah Homeschooling Collective, Ottawa, Canada

Digital Audiences/Beneficiaries: 50K minimum

Project offerings in order of quantity delivered:

- Muslim Heritage Stories promoting and celebrating humanitarian values from Afghanistan, Albania, Algeria, Saudi Arabia, Iraq, Palestine, China, Pakistan, Iran, India, Tunisia, Bangladesh, Yemen, Mali, Malaysia, Nigeria, Syria, Lebanon, Somalia, Tanzania, Sierra Leone, Turkey, Syria, Uzbekistan, Andalusia, Yemen, Sudan, East Africa, West Africa, Canada etc. 75%
- Other: House of Wisdom in the Golden Age of Islam, Multifaith Stories, Muslim Nativity, Edhi Means Love, and Riding a Donkey Backwards 25%

New performances and workshops researched, adapted, produced and presented:

Storytelling Theatre Performances

- The Spider and the Doves from Saudi Arabia for children ages 3-6 on the themes of trust, confidence and patience – 10mins
- The Stork and the Watermelon from the Uyghur people of China for children ages 3-6 on the themes of kindness and generosity – 8mins
- The Golden Lanterns from Arab cultures for children ages 5-7 on the coming of the month of Ramadan exploring themes of hope, friendship, integrity, connection and community– 12 mins
- Yunus and the Whale from Palestine for children ages 3-6 on the themes of redemption, patience and sincerity – 8mins
- The Farmer's Daughter from Somalia for Tales till Ramadan at Birmingham Rep on the feminine principle, intuition, wisdom, community, unity – 20mins

Total of 58 minutes of new offerings (23-24: 105 minutes)

Drama and Storytelling Training Workshops

- Bespoke Drama and Storytelling Workshops for Adult Mental Health Service Users in Tower Hamlets (Brady Arts Centre) with Outside Edge Theatre Company, 15hrs
- Bespoke Workshop for Year 13 BTEC Students on Performing Arts in the Community at Katherine Warrington School in Harpenden, 2hrs
- Drama Academy Workshops for children ages 3-15 for the Learning Tree, Cambridge, 15hrs

- Khayaal Drama Academy Workshops for children ages 6-12 in Luton and Wimbledon, 8hrs
- Khayaal Drama Academy Workshops for mothers and children ages 3-6 in Luton, 18hrs
- Summer Drama Camp Week with CampOneder in Harrow children ages 6-11, 20hrs
- Bespoke CPD Drama Training Workshop for Professional Muslim Woman Storyteller, 2hrs

Total of 80 hours of new offerings (23-24: 22hrs 30mins)

"I wanted to begin by saying again how valuable your work was with my Year 13 students last academic year. The professional insight and practical approach you brought had a clear impact on both the standard of their practical work and their understanding of community performance practice." – Jacob Church, Katherine Warrington School, Harpenden, May 25

Drama Academy Project

Khayaal continued investing ground-breaking conceptual, pedagogical and dramaturgical creativity in laying the foundations for the development of a culturally sensitive and affirmative drama academy curriculum that brings together character virtues, Muslim heritage stories and drama education for especially Muslim children spanning the ages of 3-16 through 2024-25.

We continued delivery of a monthly drama academy for children each comprising 3 sessions for children aged 3-5, 5-7 and 8-14 respectively for The Learning Tree at CQC on Radegund Road, Cambridge for the fourth year. Over this reporting term, we delivered 10 academy days comprising a total of 30 sessions benefitting 35 children and 20 families.

We continued delivery of a fortnightly drama and storytelling academy for mothers and toddlers ages 3-5 at Friends Meeting House, Luton for a third year completing 20 x 80min sessions. We also continued delivery of a monthly drama academy for Luton children ages 6-12 at the Lyons Community Centre. Over the year, our Luton drama academy sessions benefitted a total of 15 mothers, 40 children and 28 families.

We launched a new monthly drama academy in Wimbledon in response to long standing demand for children aged 6-12 at Wimbledon Scouts Hut in January '25 and completed 6 sessions over the year benefitting 15 children and 10 families.

Responding to years of sustained demand for a Drama Academy in NW London, we teamed up with Camp ONEder for the second year to deliver a successful 1-week (04-08 Aug '25) summer drama camp in Harrow exploring Muslim heritage tales on the theme of generosity for 12 children ages 7-11. The immersive and intensive week culminated in a showcase performance for participating families and the local community. Participating children not only created their own adaptation of a heritage tale with our supervision and dramaturgical support but also designed and made or curated their own props, costumes, flyers and tickets and programmes. Feedback from both children and parents was superlative and gratifying. Some parents reported that this was the first time that their child(ren) really connected with other children or that this was the first time that they demonstrated sustained enthusiasm for a shared creative process.

Drama Academies

2024-2025 Facts & Figures

4 Locations (23-24: 3)

51 Session Days (23-24: 38)

60 Workshops Developed and Delivered (23-24: 54)

102 Participant Children (23-24: 71)

60 Beneficiary Families (23-24: 46)

"My son has greatly enjoyed your drama sessions and is improving in confidence and communication at the Learning Tree in Cambridge, and we would love for the children to experience something similar on this special occasion." – Eymen Kaya, Sep 24

Developments in the Wider Work of Khayaal 2024-2025

- In recognition of his long, successful and ground breaking track record as Khayaal's chief conceptualist and Artistic Director and Khayaal's extensive and inclusive contributions to the cultural life of Britain, Luqman Ali was recruited to the board of Equi in October, the UK's first Muslim founded and led think tank dedicated to working for a more just and equitable society.
- Luqman Ali served as judge of the Young Muslim Writers Awards 2024 playscript category through November for the third time over the past decade.
- Luqman Ali advanced Khayaal's socio-cultural advocacy by serving as a Spotlight Speaker for Windsor Leadership Emerging Strategic Leaders Programme at St. George's House, Windsor Castle on 19th Nov '24. Shortly thereafter on 4th December, he also accepted an invite to speak at Windsor Leadership's 'In Conversation with ...' Webinar.

"I was very moved by Luqman and some of his insights have really changed my approach and helped me evaluate my own responses to those who are on a different page to me." – Emerging Leader, Nov 24

"One of the most impactful and insightful thought leadership sessions I've experienced in my rich and diverse global leadership journey. Truly a standout opportunity for learning, growth and inspiration!" –Faith Leader on 'In Conversation with Luqman Ali', Dec 24

- Luqman Ali advanced Khayaal's cultural and artistic advocacy by accepting an invitation to contribute to a panel conversation titled 'Breaking the Singing Barrier: Cultural Barriers to Singing' at the Music & Drama Education Expo held at The Business Design Centre, London. Hosted by the Voices Foundation and the ISM Trust, the event focused on cultural barriers to singing in schools, covering religion, family attitudes, cultural legacy of singing and panellists' own experience of music education.
- PhD student Serena Slack-Robins advanced Khayaal's cultural and artistic research and advocacy by attending the launch of 'The Menagerie Project' hosted by Royal Historic Palaces at The Tower of London on 13th May. Shortly thereafter, she represented Khayaal at 'The Muslim Embassy Retrospect' a landmark event hosted by the Royal Central School of Speech and Drama, University of London. The event showcased the rich and dynamic contributions of Muslim artists, performers, writers and creators in theatre, television and film, while critically reflecting on the evolving representation of Muslim identities on stage and screen.
- Luqman Ali advanced Khayaal's cultural and artistic advocacy by contributing to a Sing Up Podcast alongside music psychologist Natasha Hendry on 16th June exploring how inclusive music education arenas are for children and young people from minoritised communities.
- Luqman Ali advanced the mission of Khayaal by accepting an invitation to the Muslim News Awards ceremony in London on 14th July.
- PhD student Serena Slack-Robins continued to work on our PhD project on British Muslim Engagement with Theatre in partnership with Manchester Metropolitan University, the Arts and Humanities Research Council and North West Consortium Doctoral Training Partnership. Due to multiple impacts of the pandemic and the cost-of-living crisis, the term of the project has had to be extended to late 2026.

- We continued to support students and academics in undergraduate and postgraduate education at academic institutions with their research on Islam and Muslim-related theatre, drama, literature, art and culture including students and faculty at BRIT School, Croydon, UK; University of Edinburgh; University of Warwick; Masaryk University, Brno, Czechia; Arts University, Bournemouth, UK;
- We continued to leverage our expertise, experience and accrued cultural capital to provide development support, consultancy and advice to both emerging and experienced Muslim artists and arts and cultural organisations.
- Our work attracted press and media coverage from Inspire FM Luton, Hyphenonline, Luton News, British Theatre Guide, Awaaz FM and Islam Channel.
- We continued to prospect for and contribute to the development and platforming of emerging and established Muslim performing artists. Over this period, this included Junayd of Islam, Salmaan Shah, Abdul Qualam Aziz, Mariam Yaya and Maryam Sinclair as well as a dozen others through our work on the further development of the Muslim Artists Academy in partnership with Alchemy Arts, Manchester.
- We continued to advocate for justice and equity in the UK cultural sector for minoritized and racialised audiences, artists, cultural practitioners and cultural producers in relation to socio-cultural opportunities, recognition, access to public space, funding and representation. Despite public acknowledgements of structural injustice and inequity in the sector and the formulation of new funding policies to address these issues on the part of funders and development agencies in the wake of George Floyd, Windrush and the disproportionate impact of Covid on minority communities, we continued to experience exclusion and a lack of understanding of the society-wide inequalities and disparities that stifle the aspirations of minority cultural actors. These include but are not limited to unjustifiably high thresholds and inflated expectations on the part of funders when it comes to scale of operation, impact and turnover that can only be based on the erroneous assumption that minority cultural producers benefit from equal access to resources and opportunities and a level playing field. By evidencing the wide socio-economic and socio-cultural disparities that disadvantage BAME communities when it comes to average household wealth, employment prospects, physical and mental health outcomes, acceptance and belonging and multiple deprivation, we endeavoured to convince our interlocutors that real equity means calibrating threshold and expectation criteria for support to the realities of the lived experience of minorities in the round. For example, when the average household wealth of a white British family (£314K) is ninefold that of a black African family (£34K), it is manifestly clear that the socio-economic barriers to socio-cultural inclusion and stake-holding where the arts are concerned are in no way comparable.

“For every £1 of White British wealth, Indian households have 90-95p, Pakistani households 50p, Black Caribbean 20p, and Black African and Bangladeshi households have 10p.” – Runnymede Trust 2024

“Muslim households have a greater chance of being in poverty than those of any other religious group in the country. Having taken all possible causal factors into account, the team concluded that discrimination and prejudice “are having real and measurable consequences for Muslim groups in British society”. – The Centre for Social Investigation at the University of Oxford’s Nuffield College 2021

“In Britain, evidence suggests that Muslims experience the greatest faith penalty relative to any other religious group even after adjusting for the aforementioned factors (Khattab 2009; Berthoud and Blekesaune 2007; Khattab and Modood 2015). This phenomenon is known as the “Muslim Penalty” (Connor and Koenig 2015, 198). – Samir Swelda-Metwally, 12 July 2022

Training and Continuous Professional Development

5 Nov 24: Luqman Ali participated Charity Digital's AI Training Webinar led by James Shamsi.

08 Jan 25: Luqman Ali and Eleanor Martin participated in Outside Edge Theatre Company's Safeguarding Training Workshop with a focus on working with adult mental health service users.

26 Feb 25: Eleanor Martin upskilled in a puppetry workshop by Little Angel Theatre.

09 July 25: Luqman Ali and Eleanor Martin participated in a workshop on Religious Education hosted by SACRE Luton facilitated by Dr Richard Keuh, RE Lead OFSTED.

Monitoring & Evaluation

Company

Overall evaluation and risk analysis of the company's activities over the year using internal measurements and indicators and assessment of the satisfaction of staff, volunteers, partners and beneficiaries resulted in the following key findings:

- High levels of satisfaction with Khayaal's products and services both quantitatively and qualitatively relative to human, material and financial resources at our disposal.
- Continuous up-skilling and professional development critical to improving quality and generating innovation and creativity.
- More stable and longer-term financial investment critical to growth and realisation of potential.
- Challenges presented by impact of pandemic and cost-of-living crisis will need to be met with creative and entrepreneurial ingenuity and a highly adaptive business model.

Performances & Workshops

Our ongoing evaluation of audiences' and partners' responses to our original adaptations of humanitarian values tales and stories from Muslim and multifaith literature led to the following key findings:

- Muslim audiences respond to our work with an increase feeling of belonging, pride and heightened aspiration, all of which contribute to greater awareness of and confidence in the inclusive resources within their cultural traditions that encourage integration and foster contributory citizenship within wider society.

"And last but not least, if you're going to have an artistic performance at a conference make it high quality, short and brilliantly delivered. The one-woman performance by ... Khayaal Theatre Company was truly wonderful." – Joe Dobson, Aziz Foundation (formerly National Lottery Community Fund) on Tea with Tamerlane, 3 Jul '25

- Audiences from other traditions, both faith and secular, respond to our work with high levels of appreciation and gratitude for the opportunity to experience the aesthetics, wisdom, humour and humanity of Muslim cultures in performance made accessible by our work.

"Stories are powerful but the art of storytelling cannot be underestimated. The way you told us stories was not only engaging and entertaining, it also took us into a state of contemplation. Thank you for awakening the child in us." – Quaker participant in Sufi Stories, Friends House, Luton 5 Apr 25

- Both audiences express high levels of commendation and appreciation for the opportunity for intercultural dialogue, engagement and understanding within one of Britain's most important socio-cultural institutions and art forms.

- Over the past year 81% of those polled as part of our evaluation exercises rated their experience of our work as excellent or good. When asked to what extent they believe our work contributes to greater valuation and appreciation of literature, drama, storytelling and culture within Muslim communities 75% said either exceedingly or tremendously. When asked to what extent they believe our work contributes to greater interfaith and intercultural dialogue, engagement and understanding between communities based on this experience 73% said either exceedingly or tremendously.

FINANCIAL REVIEW

During the year under review the charity received unrestricted income of £173,818 (2024: £133,049) and restricted income of £Nil (2024: £Nil) and had an expenditure of £124,035 (2024: £110,143) and £45 (2024: £49) for unrestricted and restricted respectively. At the Balance Sheet date the charity held unrestricted funds of £131,849 (2024: £82,066) and restricted funds of £6,783 (2024: £6,828) .

Reserves policy

The purpose of this policy is to ensure that Khayaal TC is able to act in the interests of its charitable purposes and its beneficiaries, as well as protecting and safeguarding its assets and ensuring that due diligence is taken in complying with current legislation and good practice guidance.

The Trustee Directors have established a reserves policy that holds that unrestricted funds equivalent to a minimum of 20 weeks of the last complete financial year's turnover be held by the theatre company to cover current liabilities, commitments and activities/operations for four calendar months.

The trustees have given due consideration to the ability of the Charity to continue as a going concern. Due to the continued support the charity receives from its donors and the public, the trustees are satisfied that the going concern basis remains appropriate in preparing these financial statements. Furthermore, the charity believes that the level of unrestricted funds held remains sufficient to support the activities of the charity in the foreseeable future.

Financial and risk management objectives and policies

Risk mitigation has been central to the organisational management processes that have ensured that we have alternately survived and flourished for fast closing on three decades. We manage and mitigate risk by maintaining a high level of industry awareness and forecasting. This is achieved by monitoring developments in our sector and related sectors in the media and public forums. We also review our organisational SWOT analysis on a regular basis taking into consideration market trends here and abroad affording us continuous tracking across analysis factors. Where financial risk is concerned, we have primarily employed the combined strengths of scalability, commitment, ingenuity and passion in order to adapt to changing circumstances and transform challenges into opportunities. Our core staff and board of directors share responsibility for risk mitigation.

Principal funding source

Over the year 2024-25, our funding came from a mix of sources as follows:

- Grants 48% from Safera Foundation, Esmee Fairbairn Foundation, Garfield Weston Foundation and Amal (23-24: 52%)
- Donations & Gift Aid 33% (23-24: 21%)
- Income from sales and services 19% (23-24: 28%)
- In-kind support and resources in terms of underpaid core staff time relative to multidisciplinary expertise and experience; volunteer time; host partners' contributions of performance spaces, digital channels, staff time, publicity, administration; etc. have been quantified and valued monetarily as equivalent to at least 42% of cash turnover at £74K.

PLANS FOR FUTURE PERIODS

Future plans for 2025-26

- Delivering 60-70 Theatre-without-Walls performance and workshop events nationally with multi-sector partners.
- Embarking on a marketing campaign to promote our Drama Academies in Luton, Cambridge and Wimbledon and launching a drama academy in NW London (Brent/Barnet/Harrow). Expanding our Luton drama academy to benefit girls ages 11-16.
- Leveraging our accrued cultural capital and longstanding, privileged partnerships with BAME/Muslim communities in order to increase our grant funding from public and private funders including trusts/foundations.
- Redeveloping our website and refreshing and enriching our branding across our social media channels.
- Continue work on our multi-year funded PhD project on British Muslim Engagement with Theatre in partnership with Manchester Metropolitan University, the Arts and Humanities Research Council and North West Consortium Doctoral Training Partnership.
- We will continue our work with Birmingham Repertory Theatre to develop a long-term working relationship in order to serve the socio-cultural and arts education needs of the largest Muslim community in the UK including working toward a return to The Rep with a new and larger scale production of Tales till Ramadan in Jan-Feb 2027.
- Upskilling in AI and incorporating the technology into our operations in order to increase productivity and efficiency.
- Working in partnership with The Dialogue Society to develop and deliver performance storytelling-based workshops promoting inclusive, equitable and convivial citizenship in primary and secondary schools

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

F. Qureshi

Trustee

17 April 2026

Independent Examiner's Report to the trustees of The Khayaal Theatre Company

I report to the charity trustees on my examination of the financial statements of The Khayaal Theatre Company for the year ended 31 July 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 financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the financial statements of the Charity 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 financial statements 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

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements 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 financial statements to be reached.

Sajjad Tejani FCCA
Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF
17 April 2026

The Khayaal Theatre Company
Statement of Financial Activities
for the year ended 31 July 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
	Notes				
Income and endowments from:					
Donations and legacies	4	47,304	-	47,304	22,412
Charitable activities	5	85,122	-	85,122	68,750
Other trading activities	6	30,858	-	30,858	37,590
Other	7	10,534	-	10,534	4,297
Total		173,818	-	173,818	133,049
Expenditure on:					
Other	8	124,035	45	124,080	110,192
Total		124,035	45	124,080	110,192
Net gains on investments		-	-	-	-
Net income	9	49,783	(45)	49,738	22,857
Transfers between funds		-	-	-	-
Net income before other gains/(losses)		49,783	(45)	49,738	22,857
Other gains and losses					
Net movement in funds		49,783	(45)	49,738	22,857
Reconciliation of funds:					
Total funds brought forward		82,066	6,828	88,894	66,037
Total funds carried forward		131,849	6,783	138,632	88,894

The Khayaal Theatre Company
Summary Income and Expenditure Account
for the year ended 31 July 2025

	2025 £	2024 £
Income	173,818	133,049
Gross income for the year	<u>173,818</u>	<u>133,049</u>
Expenditure	122,112	108,107
Depreciation and charges for impairment of fixed assets	1,968	2,085
Total expenditure for the year	<u>124,080</u>	<u>110,192</u>
Net income before tax for the year	49,738	22,857
Net income for the year	<u><u>49,738</u></u>	<u><u>22,857</u></u>

The Khayaal Theatre Company

Balance Sheet

at 31 July 2025

Company No. 03597083	Notes	2025 £	2024 £
Fixed assets			
Tangible assets	11	6,043	7,774
		<u>6,043</u>	<u>7,774</u>
Current assets			
Cash at bank and in hand		134,512	85,085
		<u>134,512</u>	<u>85,085</u>
Creditors: Amount falling due within one year	12	(1,923)	(3,965)
Net current assets		<u>132,589</u>	<u>81,120</u>
Total assets less current liabilities		<u>138,632</u>	<u>88,894</u>
Net assets excluding pension asset or liability		<u>138,632</u>	<u>88,894</u>
Total net assets		<u><u>138,632</u></u>	<u><u>88,894</u></u>
The funds of the charity			
Restricted funds	13		
Restricted income funds		6,783	6,828
		<u>6,783</u>	<u>6,828</u>
Unrestricted funds	13		
General funds		131,849	82,066
		<u>131,849</u>	<u>82,066</u>
Reserves	13		
Total funds		<u><u>138,632</u></u>	<u><u>88,894</u></u>

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

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

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 17 April 2026

And signed on its behalf by:

F. Qureshi

Trustee

17 April 2026

The Khayaal Theatre Company
Statement of Cash flows
for the year ended 31 July 2025

	2025 £	2024 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	49,738	22,857
Adjustments for:		
Depreciation of property, plant and equipment	1,968	2,085
Dividends, interest and rents from investments	(10,534)	(4,297)
Other gains/losses	-	-
(Decrease)/Increase in trade and other payables	(2,923)	3,285
Net cash provided by operating activities	<u>38,249</u>	<u>23,930</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(237)	(1,769)
Dividends, interest and rents from investments	10,534	4,297
Net cash from investing activities	<u>10,297</u>	<u>2,528</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	48,546	26,458
Cash and cash equivalents at the beginning of the year	84,405	57,947
Cash and cash equivalents at the end of the year	<u>132,951</u>	<u>84,405</u>
Components of cash and cash equivalents		
Cash and bank balances	134,512	85,085
Bank overdrafts	(1,561)	(680)
	<u>132,951</u>	<u>84,405</u>

1 Accounting policies

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
---------------------------------	--

Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
------------------------	--

Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
-------------------------------------	---

Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
---------------------------------	--

Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
-------------------	---

Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
---	---

Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
-------------------------------------	--

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant & Machinery	25% Reducing balance
Motor Vehicle	25% Reducing balance

Trade and other 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Income and endowments from:			
Donations and legacies	60,002	-	60,002
Charitable activities	68,750	-	68,750
Gift Aid	4,297	-	4,297
Total	133,049	-	133,049
Expenditure on:			
Other	110,143	49	110,192
Total	110,143	49	110,192
Net income	22,906	(49)	22,857
Net income before other gains/(losses)	22,906	(49)	22,857
Other gains and losses:			
Net movement in funds	22,906	(49)	22,857
Reconciliation of funds:			
Total funds brought forward	59,160	6,877	66,037
Total funds carried forward	82,066	6,828	88,894

4 Income from donations and legacies

	Unrestricted	Total 2025	Total 2024
	£	£	£
Donations	45,264	45,264	20,248
Friends' subscriptions	2,040	2,040	2,164
	<u>47,304</u>	<u>47,304</u>	<u>22,412</u>

5 Income from charitable activities

	Unrestricted	Total 2025	Total 2024
	£	£	£
Grants	85,122	85,122	68,750
	<u>85,122</u>	<u>85,122</u>	<u>68,750</u>

6 Income from other trading activities

	Unrestricted	Total 2025	Total 2024
	£	£	£
Sale of services	30,858	30,858	37,590
	<u>30,858</u>	<u>30,858</u>	<u>37,590</u>

7 Other income

	Unrestricted	Total 2025	Total 2024
	£	£	£
Gift Aid	10,534	10,534	4,297
	<u>10,534</u>	<u>10,534</u>	<u>4,297</u>

8 Other expenditure

	Unrestricted	Restricted	Total 2025	Total 2024
	£	£	£	£
Employee costs	51,926	-	51,926	51,927
Motor and travel costs	20,448	-	20,448	12,048
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	1,923	45	1,968	2,085
General administrative costs	45,683	-	45,683	40,630
Legal and professional costs	4,055	-	4,055	3,502
	<u>124,035</u>	<u>45</u>	<u>124,080</u>	<u>110,192</u>

9 Net income before transfers

	2025	2024
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	1,968	2,085
Independent Examiner's fee	600	600

10 Staff costs

	2025	2024
Salaries and wages	51,926	51,927
	<u>51,926</u>	<u>51,927</u>

No employee received emoluments in excess of £60,000.

The average monthly number of full time equivalent employees during the year was as follows:

	2025	2024
	Number	Number
Administration and production	2	2
	<u>2</u>	<u>2</u>

11 Tangible fixed assets

	Plant & Machinery	Motor Vehicle	Total
	£	£	£
Cost or revaluation			
At 1 August 2024	19,194	18,716	37,910
Additions	237	-	237
At 31 July 2025	<u>19,431</u>	<u>18,716</u>	<u>38,147</u>
Depreciation and impairment			
At 1 August 2024	11,573	18,563	30,136
Depreciation charge for the year	1,930	38	1,968
At 31 July 2025	<u>13,503</u>	<u>18,601</u>	<u>32,104</u>
Net book values			
At 31 July 2025	<u>5,928</u>	<u>115</u>	<u>6,043</u>
At 31 July 2024	<u>7,621</u>	<u>153</u>	<u>7,774</u>

12 Creditors:

amounts falling due within one year

	2025	2024
	£	£
Bank loans and overdrafts	1,561	680
Other creditors	362	3,285
	<u>1,923</u>	<u>3,965</u>

13 Movement in funds

	At 1 August 2024	Incoming resources (including other gains/losses) £	Resources expended £	At 31 July 2025 £
Restricted funds:				
Restricted income funds:				
Bedfordshire and Luton Community Foundation (BLCF) - Community Recovery Fund Grant	6,828	-	(45)	6,783
<i>Total</i>	<u>6,828</u>	<u>-</u>	<u>(45)</u>	<u>6,783</u>
Unrestricted funds:				
General funds	82,066	173,818	(124,035)	131,849
Total funds	<u><u>88,894</u></u>	<u><u>173,818</u></u>	<u><u>(124,080)</u></u>	<u><u>138,632</u></u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Bedfordshire and Luton Community Foundation (BLCF) - Community Recovery Fund Grant

BLCF Community Recovery Fund 2022-24 supports Khayaal 25 Luton (Drama Academy, Theatre without Walls and Multifaith Stories projects in Luton).

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	5,922	121	6,043
Net current assets	<u>132,589</u>	<u>-</u>	<u>132,589</u>
	<u><u>138,511</u></u>	<u><u>121</u></u>	<u><u>138,632</u></u>

15 Reconciliation of net debt

	At 1 August 2024 £	Cash flows £	At 31 July 2025 £
Cash and cash equivalents	85,085	49,427	134,512
	<u>85,085</u>	<u>49,427</u>	<u>134,512</u>
Net debt	<u><u>85,085</u></u>	<u><u>49,427</u></u>	<u><u>134,512</u></u>

16 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

The Khayaal Theatre Company
Detailed Statement of Financial Activities
for the year ended 31 July 2025

	Unrestricted funds 2025 £	2025 £	Total funds 2025 £	Total funds 2024 £
Income and endowments from:				
Donations and legacies				
Donations	45,264	-	45,264	20,248
Friends' subscriptions	2,040	-	2,040	2,164
	<u>47,304</u>	<u>-</u>	<u>47,304</u>	<u>22,412</u>
Charitable activities				
Grants	85,122	-	85,122	68,750
	<u>85,122</u>	<u>-</u>	<u>85,122</u>	<u>68,750</u>
Other trading activities				
Sale of services	30,858	-	30,858	37,590
	<u>30,858</u>	<u>-</u>	<u>30,858</u>	<u>37,590</u>
Other				
Gift Aid	10,534	-	10,534	4,297
	<u>10,534</u>	<u>-</u>	<u>10,534</u>	<u>4,297</u>
Total income and endowments	<u>173,818</u>	<u>-</u>	<u>173,818</u>	<u>133,049</u>
Expenditure on:				
Employee costs				
Salaries/wages	51,926	-	51,926	51,927
	<u>51,926</u>	<u>-</u>	<u>51,926</u>	<u>51,927</u>
Motor and travel costs				
Travel and subsistence	20,448	-	20,448	12,048
	<u>20,448</u>	<u>-</u>	<u>20,448</u>	<u>12,048</u>
General administrative costs, including depreciation and amortisation				
Depreciation of Plant & Machiney	1,885	45	1,930	2,034
Depreciation of Motor Vehicle	38	-	38	51
Advertisement	405	-	405	702
Equipment leasing and hire charges	600	-	600	1,317
General insurances	1,449	-	1,449	1,164
Refreshments	2,136	-	2,136	1,363
Stationery and printing	5,252	-	5,252	3,805
Subscriptions	465	-	465	265
Sundry expenses	2,796	-	2,796	1,864
Telephone, fax and broadband	1,269	-	1,269	1,259
Venue hire	31,311	-	31,311	28,891
	<u>47,606</u>	<u>45</u>	<u>47,651</u>	<u>42,715</u>
Legal and professional costs				

The Khayaal Theatre Company
Detailed Statement of Financial Activities

Audit/Independent examination fees	600	-	600	600
Sub-contractors	3,213	-	3,213	2,496
Other legal and professional costs	242	-	242	406
	<u>4,055</u>	<u>-</u>	<u>4,055</u>	<u>3,502</u>
Total of expenditure of other costs	<u>124,035</u>	<u>45</u>	<u>124,080</u>	<u>110,192</u>
Total expenditure	124,035	45	124,080	110,192
Net gains on investments	-	-	-	-
	<u>49,783</u>	<u>(45)</u>	<u>49,738</u>	<u>22,857</u>
Net income				
Net income before other gains/(losses)	<u>49,783</u>	<u>(45)</u>	<u>49,738</u>	<u>22,857</u>
Other Gains	-	-	-	-
	<u>49,783</u>	<u>(45)</u>	<u>49,738</u>	<u>22,857</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward	<u>82,066</u>	<u>6,828</u>	<u>88,894</u>	<u>66,037</u>
Total funds carried forward	<u>131,849</u>	<u>6,783</u>	<u>138,632</u>	<u>88,894</u>

THE KHAYAAL THEATRE COMPANY

England & Wales - Charity number 1100005

Accounts



The Khayaal Theatre Company

Charity No. 1100005

Company No. 03597083

Trustees' Report and Unaudited Accounts

31 July 2024

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 July 2024.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 03597083

Charity No. 1100005

Registered Office
Flat 2
Primrose Close
Luton
LU3 1EU

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law. The following Directors and Trustees served during the year:

A.G. Mian	(Appointed 19 June 2024)
R. Mughal	(Resigned 19 June 2024)
S.H.H. Naqvi	(Resigned 16 February 2024)
F. Qureshi	
G. Virani	

Company Secretary

L.A. Ali

Accountants

Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF

OBJECTIVES AND ACTIVITIES

The objects for which the company is established are to promote, maintain, improve and advance public education particularly through the research, development, production and performance of drama and theatre inspired by and adapted from Muslim literature and the wisdom literature of other faith traditions

The company's activities typically include the national touring of on-demand, small scale and high-quality stage performances delivered under its Theatre-without-Walls programme; running drama academies; devising and running theatre-in-education programmes; prospecting for and developing artistic talent; publishing children's books; training; advocacy and consultancy.

ACHIEVEMENTS AND PERFORMANCE

Theatre-without-Walls Programme August – December 2023

Excited by the prospect of our first full year of normal physical delivery following the pandemic, we began our year responding with alacrity to surging demand from our growing national multisector network of partners. Over the Aug-Dec 2023 period, we delivered 27 physical touring events nationally comprising 41 performances and workshops benefitting diverse and intergenerational audiences numbering 3000 people working with 24 mostly new partners (58%) across five sectors (community, education, culture and faith/interfaith and local government) in 11 local authorities in the East, East Midlands, West Midlands, Southeast and Greater London regions.

A highlight of this period included a resumption of our annual tour began in July '23 of Multifaith Stories (Hinduism, Judaism, Christianity and Islam) on the themes of humanitarian values, character virtues and good neighbourliness to 11 primary schools in our hometown of Luton for the third year since 2017. 2000 pupils across primary years 3-6 interactively explored and celebrated the golden rule and dream of virtue upon which their respective faith traditions converge contributing to interfaith understanding, respect and conviviality across the town (75% of Lutonians subscribe to a religion).



Eleanor Martin converses with enthusiastic pupils at William Austin Primary School, Luton after Multifaith Stories 7th Mar '24

A demon slaying heroine, a resilient cobbler, a punctilious baker, a bereaved youth and their respective supporting casts draw on a constellation of character virtues to find meaning, purpose and success in their lives. This collection of four wisdom tales from Hinduism, Judaism, Christianity and Islam explores humanitarian values common to all of the faith traditions inviting Key Stage 2 pupils to identify, articulate and reflect on these values and their currency in and relevance to their lives. The stories are theatrically performed over 50 minutes followed by 10-15 minutes of conversation with options for extended engagement through games and exercises.

"All of our schools were privileged this week to receive a visit from the wonderful Khayaal Theatre, who performed a series of multi-faith stories, exploring key values that exist within different faiths. The collection of 4 tales hailed from Hinduism, Judaism, Christianity and Islam, and encouraged the children to show these values in their day-to-day lives, treating others with respect, fairness,

love and empathy. A wonderful experience for the pupils involved. #pioneerpromise #Unity #Respect Chantry Primary Academy Whitefield Primary Academy Southfield Primary Academy"
– Pioneer Learning Trust, 16 Sep 2023

"Thanks for sharing the photos and hosting us so well last Friday. We thoroughly enjoyed seeing Khayaal Theatre in action and were blown away by the impact of the multi-faith story- telling programme. Eleanor was brilliant! ..."
– Yvonne Abba-Opoku, King Charles III Charitable Fund, 17 Nov 2023

Other highlights over this 5-month period (Aug-Dec '23) included welcoming new partners to our national network including Bedford Creative Arts, South London Interfaith Group, Croydon; Landmark Theatres, Peterborough; Barnet Hill Academy, Barnet; Arts Depot, Barnet; and Langley Park School for Boys, Bromley for whom we delivered performances, workshops and CPD training for teachers on using dramatic storytelling in their classrooms.

"On behalf of the entire LPSB community, I would like to express our deepest gratitude for Khayaal Theatre's recent visit and the remarkable performances delivered at our school. It was an absolute privilege to have Eleanor share her talent and wisdom with us. Eleanor's performances left a profound impact on everyone who attended. Her powerful storytelling resonated deeply, sparking conversations and inspiring our students to think critically about the world around them." – Miss F. Akmal, LPSB



Eleanor Martin fields questions from excited pupils at Langley Park School for Boys after performance of Muslim Heritage Stories on 28 Nov '23

Theatre-without-Walls Programme **January – July 2024**

Despite mounting challenges to our work posed by the adverse impacts of convulsions in the Middle East and a fast-approaching spring premises relocation precipitated by our landlords' plan to sell the property that served as our operating base since 2017, we began the calendar year thinking about the resourcefulness, agility and resilience we'd need to navigate uncertainties and instability. Having endured formidable and manifold challenges for fast closing on 27 years, we proceeded with trust, confidence and determination to continue serving our diverse and growing audiences.

Over the course of the seven-month period spanning January-July 2024, we delivered 34 physical touring events nationally comprising 49 performances and workshops benefitting diverse and intergenerational audiences numbering 5,500 people working with 38 mostly repeat partners (repeat 71% - new 29%) across seven sectors (academia, charity, community, culture, education, faith/interfaith and health) in 11 local authorities in the East, East Midlands, West Midlands, South East, Yorkshire & Humber and Greater London regions.

Highlights of this period include a popular performance of Muslim Heritage Tales on the theme of success at Corpus Christi College in Oxford with Oxford University Islamic Society in February, sell-out performances of Tales till Ramadan for the second year in The Door Studio at Birmingham Rep in March, a hugely successful performance of Eid Stories at The Key Theatre, Peterborough in April and our 4th annual tour of Multifaith Stories (Hinduism, Judaism, Christianity and Islam) to 10 Luton primary schools in July. This tour was so successful that it led to us receiving an invite to adapt and transfer the concept for the benefit of Luton secondary schools the first of which was Challney Girls' School where we shared an ecologically themed collection of wisdom tales from three Dharmic faith traditions: Hinduism, Buddhism and Sikhism with 250 Year 8 pupils.



George Barnett of the Key Theatre, Peterborough thanks (l to r) Nazra Zuhyle, Eleanor Martin and Junayd Ul-Islam for their performances of Eid Stories on 29th Apr '24

Another notable development over this period was the initiation of a new partnership with Outside Edge Theatre Company involving the application of our work to the improvement of mental health outcomes for Muslim service users in the London boroughs of Newham and Tower Hamlets as part of a project funded by The Baring Foundation. Responses to the initial twin pilot performance and workshops sessions that we delivered in the boroughs on 17th and 24th April were so positive that we were engaged to deliver 16 weekly drop-in sessions in Tower Hamlets from January '25.



Eleanor Martin, Luqman Ali and Mohammed Sesay, Khayaal Directors, facilitate a drama-based workshop pilot for mental health service users in partnership with Outside Edge TC in Tower Hamlets on 17th Apr '24.

Other partners over this period were Miraj Banqueting Suite, Bradford; Gladstone Connect, Peterborough; William Austin PS, Luton; Hand on Heart Charity, Hillingdon; The Curve, Slough; Alif New Beginnings, Luton; Oakwood PS, Luton; Tower Hamlets BC, London; Foxdell Juniors, Luton; Manor Side PS, Finchley; Burlington Junior School, New Malden; Arts Depot, Barnet; The King's Trust, London; Randeree Charitable Trust, London; Mosaic, London; Luton Culture; Wardown Museum, Luton; Sacred Heart PS, Luton; Near Neighbours; Ramridge PS, Luton; St Margaret of Scotland PS, Luton; St Martin de Porres PS, Luton; Wenlock CoE PS, Luton; Southfield PA, Luton; Whitefield PA, Luton; Maidenhall PS, Luton; Downside PS, Luton; Chantry PA, Luton; The Hub, Solihull; London Borough of Newham; and Forest Gate Community Garden, Newham.



Eleanor discusses Bangladeshi folktales with delighted audience members after a performance of Stories from Central-South Asia in Newham on 29th Jul '24.

Theatre-without-Walls Programme
2023-2024
Facts & Figures

Physical Output

Events: 61 (53 in 22-23 | 49 in 21-22)

Physical Performances & Workshops (units): 90 (86 in 22-23 | 79 in 21-22)

Multi-Sector Host Partners: 48 (53 in 22-23 | 44 in 21-22)

Local Authorities Reached: 17 (25 in 22-23 | 25 in 21-22)

Live Audiences/Beneficiaries: 8,500 (7,500 in 22-23) (34% of potential audience based on logged demand)

Average Lead Time (from booking to delivery): 5 weeks

Sectors: Academia, Charity, Community, Culture, Education, Health, Faith/Interfaith and Local Government

Requests Logged: 125 (130 in 22-23 | 146 in 21-22)

New Partners/Requests: 88 (91 in 22-23 | 84 in 21-22) from UK, Sweden, Indonesia, Pakistan, Germany, India and USA

Repeat Partners/Requests: 37

Estimated Potential Physical Audience: 25,000

Artists & Staff (core, freelance and volunteers): 14

Kat Ali, Luqman Ali, Mohammed Ali, Yusef Ali, Thomas Gray, Nazar Hadi, Junayd Islam, Ryad Khodabocus, Eleanor Martin, Serena Slack-Robins, Bela Romer, Mohammed Sesay, Abbas Shah and Nazra Zuhyle (78% from racialised/minoritised communities)

Digital Output

Digital Content Offerings (Films and Audios): 14

Channels/Platforms: Facebook, Instagram, YouTube, Vimeo, Linked-In, Soundcloud and Amazon Add-on Channel, Alchemiya

Digital Audiences/Beneficiaries: 50K minimum

Project offerings in order of quantity delivered:

Muslim Heritage Stories promoting and celebrating humanitarian values from Afghanistan, Albania, Algeria, Saudi Arabia, Iraq, Palestine, China, Pakistan, Iran, India, Tunisia, Bangladesh, Yemen, Mali, Malaysia, Nigeria, Syria, Lebanon, Somalia, Tanzania, Sierra Leone, Turkey, Syria, Uzbekistan, Andalusia, Yemen, Sudan, East Africa, West Africa, Canada etc. 80%

Other: House of Wisdom in the Golden Age of Islam, Multifaith Stories, Muslim Nativity, Edhi Means Love, and Riding a Donkey Backwards 20%

New performances and workshops researched, adapted, produced and presented:

Storytelling Theatre Performances

- The Boy and the Dangerous Animal from Afghanistan for Drama Academies on the themes of courage and fortitude – 8mins
- How the Cockerel Got His Coin Back from Iraq for Drama Academies on the themes of ingenuity, loyalty and justice – 10mins
- A Promise Fulfilled from Palestine for Tales till Ramadan 2024, Birmingham Rep on themes of love, beauty, art, friendship, self-knowledge, rites of passage and nature – 20 mins
- Ghaddar the Ghoul from Palestine for The Hub, Solihull on themes of adventure, quest, courage, integrity and fidelity – 20mins
- The Farmer who Followed His Dream from Palestine for Drama Academies on the themes of faith, perseverance and trust – 7mins
- The Four Friends from Pakistan for Drama Academies on themes of adventure, friendship, team work, compassion and nature – 8mins
- The Mouse and the Fakir from Bangladesh for – Outside Edge, Tower Hamlets and Birmingham Rep on themes of self-knowledge, self-esteem, dignity and contentment – 18mins
- The Weeping Tree Stump from Saudi Arabia for Drama Academies on the themes love, devotion, nature and good fortune – 7mins
- King Hakim and the Old Woman from Andalusia for The Learning Tree, Cambridge on the themes of justice, forgiveness, redemption and wisdom – 7mins

Total of 105 minutes of new offerings

Drama and Storytelling Training Workshops

- Dramatic Storytelling for the Classroom, Bespoke Workshop for Barnet Hill Academy and Islamia Primary School Teachers x30, 3hrs
- Muslim Heritage Stories Drama Masterclass, Bespoke Workshop for Landmark Theatres & Gladstone Connect for young people ages 11-18, 8hrs
- Bespoke Drama Workshops for Barnet Hill Academy and Islamia Primary School Year 5 pupils x 120, 2hrs
- Bespoke Production Rehearsal Dramaturgy Support Workshop for Islamia Primary School, Brent and Barnet Hill Academy pupils x40, 3hrs
- Bespoke Pilot Muslim Heritage Stories Mental Health Workshop for Outside Edge Theatre

Company, 90mins

- Bespoke Muslim Heritage Storytelling Workshop with Mosaic Leadership Programme/The King's Trust/The Randeree Charitable Trust for Muslim Leaders, 4hrs
- Bespoke Muslim Heritage Drama Workshop for 7-11 year olds for The Hub, Solihull, 1hr

Total of 22 hours 30 minutes of new offerings

Drama Academy Project

Khayaal continued investing ground-breaking conceptual, pedagogical and dramaturgical creativity in laying the foundations for the development of a culturally sensitive and affirmative drama academy curriculum that brings together character virtues, Muslim heritage stories and drama education for especially Muslim children spanning the ages of 3-16 through 2023-24.

We continued delivery of a monthly drama academy for children each comprising 3 sessions for children aged 3-5, 5-7 and 8-14 respectively at CQC on Radekund Road, Cambridge for the third full year. Over this reporting term, we delivered 8 academy days comprising a total of 24 sessions benefitting 35 children and 20 families.

We continued delivery of a fortnightly academy for children aged 5-7 and 8-11 at Friends Meeting House, Crawley Green Road, Luton for a second full year over the months Sep '23 – July '24. By the end of this reporting period, we had delivered 22 sessions for 5-7s and 8- 11s benefitting 16 children and 12 families.

In October '23 after months of planning and community consultations, we launched an initial 8 monthly session pilot for 6–12-year-old Muslim children mainly of Turkish heritage in New Malden, SW London at the Shiraz Mirza Community Hall that successfully ran until May '24 benefitting 20 children and 14 families. Thereafter we took some time to take stock and process what we learned before resuming the monthly sessions in response to sustained local community demand in December '24.



Luton Drama Academy pupils ages 5-8 present the end of the year showcase for their families and friends on 13th Jul '24

"My daughter really looks forward to the Khayaal storytelling sessions. It is very hard to find anything like this on offer and yet it is so valuable to children's development. As a teacher, we recognise creativity is such an important quality for our youngsters to have. The ability to imagine and be creative are critical skills to help prepare children for the fast-changing world in which they will grow up in and which is likely to be so different to the one we as parents experienced. These engaging and fun sessions accomplish so much. My daughter enters into a beautiful and empowering world of stories where she is not simply a listener and observer but actively engages with and retells in her own way how the characters develop and interprets the ideas shared to make the story truly come alive. She has learnt how to become more articulate, widen her vocabulary and confident to express herself ..."
– Elif Ucar 12 May 2024, Luton

Drama Academies 2023-2024 Facts & Figures

3 Locations

38 Session Days

54 Workshops Developed and Delivered 71

Participant Children

46 Beneficiary Families

Developments in the Wider Work of Khayaal 2023-2024

- In 22-23 we commenced work with new partner Sing Up in order to increase the number of songs from Muslim cultures in its Song Bank for the benefit of especially but not solely Muslim children in UK primary schools. In March '24, this work came to fruition with the release of three new seasonal songs composed by Luqman Ali, Eleanor Martin and Thomas Gray on the themes of Ramadan and Eid. Guests of God prepares children for Ramadan. Feast and Fast supports learning about the spirit, ethos and aims of Ramadan during the fasting month while Waiting for the Crescent Moon anticipates the Eid al-Fitr festival.

" 'Guests of God' and 'Waiting for the Crescent Moon' were road-tested by Year 4 children and their teacher. 'Guests of God' created a discussion on what 'Rajab and Sha'baan' are.. Children were really engaged with this song and loved the instrumentation!! For both songs: smiles on faces as they sang. Everybody joined in. When I asked the children questions on what some of the words mean, they were excited to share and answer. One boy came up to me later saying, "I'm going to listen to the songs at home.!" (I said it will be on Sing Up soon!)." – Participating School

- Luqman Ali advanced Khayaal's cultural and artistic advocacy by accepting to serve as an arts charity delegate and consultee at Muslim Charities Convention 2023 on 12th Oct '23 held at ILEC Conference Centre in Hammersmith & Fulham, London.
- Luqman Ali advanced Khayaal's cultural and artistic advocacy by accepting to serve as a

Spotlight Speaker for Windsor Leadership Emerging Strategic Leaders Programme at St. George's House, Windsor Castle on 21st Nov '23.

"Loved his thoughts and experiences on the power of story and narrative and its potential to cross cultural, social and religious lines." – Emerging Strategic Leader

"I think Luqman, his vision and his inspiration were just what I needed for my role with the charity. His outlook reinforced my thought pattern and this was unexpected for me. I was grateful for his candour and storytelling." – Emerging Strategic Leader

"Luqman was quite unique in his thought process but provoked thought into how his ideas could translate into the workplace, for instance making time for generative imagination." – Emerging Strategic Leader

- Luqman Ali advanced Khayaal's cultural and artistic advocacy by accepting an invitation to serve as an arts charity delegate and contributor to Baobab Foundation's Community Reflection Workshop on 18th June '24 at Hackney Showroom, London.
- Luqman Ali advanced Khayaal's cultural and artistic advocacy by accepting an invitation to serve as a panellist for an online webinar titled 'Cultural Barriers to Singing' convened by the Voices Foundation and the Independent Society of Musicians on 23rd April '24.

"It was so interesting to hear the barriers to singing specifically in Muslim communities; this wasn't something I knew anything about before and it has definitely made me want to find out more." – Participant

- Luqman Ali, Eleanor Martin and Mohammed Sesay, Khayaal's founding directors, advanced the company's intercultural, interfaith and artistic advocacy by developing and facilitating a 4-hour bespoke and immersive drama and storytelling workshop for a cohort of emerging and senior Muslim community leaders from across the UK as part of the second biannual Mosaic Leadership Programme in partnership with The King's Trust and the Randeree Charitable Trust on 24th June '24 at Charney Manor, Oxfordshire.
- Luqman Ali, Artistic Director and CEO, continued to serve as an Advisor/Trustee Director at Amal (www.amal.org.uk) until it was wound up in Sep '24. He initially served as the founding convening advisor of the organisation in 2016 and became a Trustee Director in 2020.
- Luqman Ali advanced Khayaal's cultural and artistic advocacy by serving as a consultee to Equi's Arts & Culture Roundtable on 17th of July '24. The Roundtable consultation was the last stage in the development of Equi's inaugural report titled 'UK Arts and Culture and the Role of British Muslims'. Equi (equi.org.uk) is a think tank that was born out of the Muslim community committed to producing ethically-driven research and policy recommendations on issues affecting the UK, drawing on Muslim insight.
- PhD student Serena Slack-Robins continued to work on our 3-year (2021-2024) funded PhD project on British Muslim Engagement with Theatre in partnership with Manchester

Metropolitan University, the Arts and Humanities Research Council and North West Consortium Doctoral Training Partnership. However, due to the impact of the pandemic, the term of the project has had to be extended to 2026.

- We continued to support students and academics in undergraduate and postgraduate education at academic institutions with their research on Islam and Muslim-related theatre, drama, literature, art and culture including students and faculty at The Islam-UK Centre, Cardiff University; University of Hertfordshire; Royal Central School of Speech and Drama, London; The Open University; East 15 Acting School, London; Alexandria University, Egypt; and Jameel Education Foundation, Saudi Arabia.
- We continued to leverage our expertise, experience and accrued cultural capital to provide development support, consultancy and advice to both emerging and experienced Muslim artists, arts organisations and cultural organisations e.g. Ministry of Culture, UAE; Hannah Khalil, playwright; the Unmistakables, London; and Samia Rahman, Author.
- Khayaal was nominated for a British Muslim Awards 2024 in the category of 'Art & Culture Award of the Year' while Khayaal Associate Director, Eleanor Martin was shortlisted for The Muslim News Alhambra Award for Excellence in the Arts 2023.
- Our work attracted press and media coverage from Inspire FM, Luton; Luton News; Maidenhead Advertiser, Berkshire; and The Muslim News, London.
- We continued to prospect for and contribute to the development and platforming of emerging and established Muslim artists. Over this period, this included Nazra Zuhyle, Junayd Ul-Islam and Chifaa Khelfaoui.
- We continued to advocate for justice and equity in the UK cultural sector for minoritized and racialised audiences, artists, cultural practitioners and cultural producers in relation to socio-cultural opportunities, recognition, access to public space, funding and representation. Interlocutors on these issues included Arts Council England, Esmee Fairbairn Foundation, Paul Hamlyn Foundation, Heritage Fund, National Lottery Community Fund, Sing Up, Voices Foundation and Independent Society of Musicians Trust. Despite public acknowledgements of structural injustice and inequity in the sector and the formulation of new funding policies to address these issues on the part of funders and development agencies in the wake of George Floyd, Windrush and the disproportionate impact of Covid on minority communities, we continued to experience exclusion and a lack of understanding of the society-wide inequalities and disparities that stifle the aspirations of minority cultural actors. These include but are not limited to unjustifiably high thresholds and inflated expectations on the part of funders when it comes to scale of operation, impact and turnover that can only be based on the erroneous assumption that minority cultural producers benefit from equal access to resources and opportunities and a level playing field. By evidencing the wide socio-economic and socio-cultural disparities that disadvantage BAME communities when it comes to average household wealth, employment prospects, physical and mental health outcomes, acceptance and belonging and multiple deprivation, we endeavoured to convince our interlocutors that real equity means calibrating threshold and expectation criteria for support to the realities of the lived experience of minorities in the round. For example, when the average household wealth of

a white British family (£314K) is ninefold that of a black African family (£34K), it is manifestly clear that the socio-economic barriers to socio-cultural inclusion and stake-holding where the arts are concerned are in no way comparable.

“For every £1 of White British wealth, Indian households have 90-95p, Pakistani households 50p, Black Caribbean 20p, and Black African and Bangladeshi households have 10p.” – Runnymede Trust 2024

“Muslim households have a greater chance of being in poverty than those of any other religious group in the country. Having taken all possible causal factors into account, the team concluded that discrimination and prejudice “are having real and measurable consequences for Muslim groups in British society”. – The Centre for Social Investigation at the University of Oxford’s Nuffield College 2021

“In Britain, evidence suggests that Muslims experience the greatest faith penalty relative to any other religious group even after adjusting for the aforementioned factors (Khattab 2009; Berthoud and Blekesaune 2007; Khattab and Modood 2015). This phenomenon is known as the “Muslim Penalty” (Connor and Koenig 2015, 198)”. – Samir Swelda-Metwally, 12 July 2022

Monitoring & Evaluation

Company

Overall evaluation and risk analysis of the company’s activities over the year using internal measurements and indicators and assessment of the satisfaction of staff, volunteers, partners and beneficiaries resulted in the following key findings:

- High levels of satisfaction with Khayaal’s products and services both quantitatively and qualitatively relative to human, material and financial resources at our disposal.
- Continuous up-skilling and professional development critical to improving quality and generating innovation and creativity.
- More stable and longer-term financial investment critical to growth and realisation of potential.
- Challenges presented by impact of pandemic and cost-of-living crisis will need to be met with creative and entrepreneurial ingenuity and a highly adaptive business model.

Performances & Workshops

- Our ongoing evaluation of audiences’ and partners’ responses to our original adaptations of humanitarian values tales and stories from Muslim and multifaith literature led to the following key findings:
- Muslim audiences respond to our work with an increase feeling of belonging, pride and heightened aspiration, all of which contribute to greater awareness of and confidence in the inclusive resources within their cultural traditions that encourage integration and foster contributory citizenship within wider society.

"Absolutely enchanting and captivating. Thank you, Sister. And you are so beautiful, Masha'Allah, with your colourful robes and beautiful expressions. It felt wonderful to see Muslim stories come to life. May Allah bless you with a fulfilling Ramadan ..." – Zainab, Muslim audience member on Tales till Ramadan at Birmingham Rep, 29 Feb – 2 Mar 2024

- Audiences from other traditions, both faith and secular, respond to our work with high levels of appreciation and gratitude for the opportunity to experience the aesthetics, wisdom, humour and humanity of Muslim cultures in performance made accessible by our work.

"I managed to see the show this year and really enjoyed it – the tale of the doctor really grabbed me, and the story from Palestine felt very poignant and hope inspiring." – Tessa, non-Muslim audience member on Tales till Ramadan at Birmingham Rep, 29 Feb – 2 Mar 2024

- Both audiences express high levels of commendation and appreciation for the opportunity for intercultural dialogue, engagement and understanding within one of Britain's most important socio- cultural institutions and art forms.
- Over the past year 80% of those polled as part of our evaluation exercises rated their experience of our work as excellent or good. When asked to what extent they believe our work contributes to greater valuation and appreciation of literature, drama, storytelling and culture within Muslim communities 77% said either exceedingly or tremendously. When asked to what extent they believe our work contributes to greater interfaith and intercultural dialogue, engagement and understanding between communities based on this experience 75% said either exceedingly or tremendously.



FINANCIAL REVIEW

During the year under review the charity received unrestricted income of £133,049 (2023: £81,402) and restricted income of £Nil (2023: £20,000) and had an expenditure of £110,143 (2023: £113,243) and £49 (2023: £21,859) for unrestricted and restricted respectively. At the Balance Sheet date the charity held unrestricted funds of £82,066 (2023: £59,160) and restricted funds of £6,828 (2023: £6,877).

Reserves policy

The purpose of this policy is to ensure that Khayaal TC is able to act in the interests of its charitable purposes and its beneficiaries, as well as protecting and safeguarding its assets and ensuring that due diligence is taken in complying with current legislation and good practice guidance.

The Trustee Directors have established a reserves policy that holds that unrestricted funds equivalent to a minimum of 17 weeks of the last complete financial year's turnover be held by the theatre company to cover current liabilities, commitments and activities/operations for four calendar months.

The trustees have given due consideration to the ability of the Charity to continue as a going concern. Due to the continued support the charity receives from its donors and the public, the trustees are satisfied that the going concern basis remains appropriate in preparing these financial statements. Furthermore, the charity believes that the level of unrestricted funds held remains sufficient to support the activities of the charity in the foreseeable future.

Financial and risk management objectives and policies

Risk mitigation has been central to the organisational management processes that have ensured that we have alternately survived and flourished for over two decades. We manage and mitigate risk by maintaining a high level of industry awareness and forecasting. This is achieved by monitoring developments in our sector and related sectors in the media and public forums. We also review our organisational SWOT analysis on a regular basis taking into consideration market trends here and abroad affording us continuous tracking across analysis factors. Where financial risk is concerned, we have primarily employed the combined strengths of scalability, commitment, ingenuity and passion in order to adapt to changing circumstances and transform challenges into opportunities. Our core staff and board of directors share responsibility for risk mitigation.

Principal funding source

Over the year 2023-24, our funding came from a mix of sources as follows:

- Grants 52% from Church Urban Fund, Safera Foundation, Esmee Fairbairn Foundation and Garfield Weston Foundation (39% in 22-23)
- Donations & Gift Aid 21% (15% in 22-23)
- Income from sales and services 28% (46% in 22-23)
- In-kind support and resources in terms of underpaid core staff time relative to multidisciplinary expertise and experience; volunteer time; host partners' contributions of performance spaces,

digital channels, staff time, publicity, administration; etc. have been quantified and valued monetarily as equivalent to at least 55% of cash turnover at £73K.

PLANS FOR FUTURE PERIODS

- Delivering 60-70 Theatre-without-Walls performance and workshop events nationally with multi-sector partners.
- Embarking on a marketing campaign to promote our Drama Academies in Luton, Cambridge and Wimbledon and launching a drama academy in NW London (Brent/Barnet/Harrow).
- Leveraging our accrued cultural capital and longstanding, privileged partnerships with BAME/Muslim communities in order to increase our grant funding from public and private funders including trusts/foundations.
- Redeveloping our website and refreshing and enriching our branding across our social media channels.
- Continue work on our multi-year (2021-2026) funded PhD project on British Muslim Engagement with Theatre in partnership with Manchester Metropolitan University, the Arts and Humanities Research Council and North West Consortium Doctoral Training Partnership.
- Apply our work and experience to the improvement of mental health outcomes for Muslim service users in the London boroughs of Newham and Tower Hamlets through the delivery of 16 weekly drop-in sessions in Tower Hamlets.
- We will continue our work with Birmingham Repertory Theatre to develop a long-term working relationship in order to serve the socio-cultural and arts education needs of the largest Muslim community in the UK.
- Upskilling in AI and incorporating the technology into our operations in order to increase productivity and efficiency.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in

The Khayaal Theatre Company
Trustees Annual Report

accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

F. Qureshi Trustee
22 April 2025

Independent Examiner's Report to the trustees of The Khayaal Theatre Company

I report to the charity trustees on my examination of the financial statements of The Khayaal Theatre Company for the year ended 31 July 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 financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the financial statements of the Charity 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 financial statements 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

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements 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 financial statements to be reached.

Sajjad Tejani FCCA
Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF
22 April 2025

The Khayaal Theatre Company
Statement of Financial Activities
for the year ended 31 July 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:					
Donations and legacies	4	60,002	-	60,002	59,612
Charitable activities	5	68,750	-	68,750	40,000
Other	6	4,297	-	4,297	1,790
Total		133,049	-	133,049	101,402
Expenditure on:					
Other	7	110,143	49	110,192	135,102
Total		110,143	49	110,192	135,102
Net gains on investments		-	-	-	-
Net income/(expenditure)	8	22,906	(49)	22,857	(33,700)
Transfers between funds		-	-	-	-
Net income/(expenditure) before other gains/(losses)		22,906	(49)	22,857	(33,700)
Other gains and losses					
Net movement in funds		22,906	(49)	22,857	(33,700)
Reconciliation of funds:					
Total funds brought forward		59,160	6,877	66,037	99,737
Total funds carried forward		82,066	6,828	88,894	66,037

The Khayaal Theatre Company
Summary Income and Expenditure Account
for the year ended 31 July 2024

	2024	2023
	£	£
Income	133,049	101,402
Gross income for the year	<u>133,049</u>	<u>101,402</u>
Expenditure	108,107	132,350
Depreciation and charges for impairment of fixed assets	2,085	2,752
Total expenditure for the year	<u>110,192</u>	<u>135,102</u>
Net income/(expenditure) before tax for the year	22,857	(33,700)
Net income /(expenditure)for the year	<u>22,857</u>	<u>(33,700)</u>

The Khayaal Theatre Company**Balance Sheet****at 31 July 2024**

Company No.	03597083	Notes	2024	2023
			£	£
Fixed assets				
Tangible assets	10	<u>7,774</u>	<u>8,090</u>	
		7,774	8,090	
Current assets				
Cash at bank and in hand		<u>85,085</u>	<u>58,530</u>	
		85,085	58,530	
Creditors: Amount falling due within one year	11	<u>(3,965)</u>	<u>(583)</u>	
Net current assets		81,120	57,947	
Total assets less current liabilities		<u>88,894</u>	<u>66,037</u>	
Net assets excluding pension asset or liability		88,894	66,037	
Total net assets		<u>88,894</u>	<u>66,037</u>	
The funds of the charity				
Restricted funds	12			
Restricted income funds		<u>6,828</u>	<u>6,877</u>	
		6,828	6,877	
Unrestricted funds	12			
General funds		<u>82,066</u>	<u>59,160</u>	
		82,066	59,160	
Reserves	12			
Total funds		<u>88,894</u>	<u>66,037</u>	

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

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

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 22 April 2025

And signed on its behalf by:

F.
Qureshi
Trustee
22 April 2025

The Khayaal Theatre Company
Statement of Cash flows
for the year ended 31 July 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net income/(expenditure) per Statement of Financial Activities	22,857	(33,700)
Adjustments for:		
Depreciation of property, plant and equipment	2,085	2,752
Dividends, interest and rents from investments	(4,297)	(1,790)
Other gains/losses	-	-
Increase/(Decrease) in trade and other payables	3,285	(2,505)
Net cash provided by/(used in) operating activities	<u>23,930</u>	<u>(35,243)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(1,769)	(595)
Dividends, interest and rents from investments	4,297	1,790
Net cash from investing activities	<u>2,528</u>	<u>1,195</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	26,458	(34,048)
Cash and cash equivalents at the beginning of the year	57,947	92,578
Cash and cash equivalents at the end of the year	<u>84,405</u>	<u>58,530</u>
Components of cash and cash equivalents		
Cash and bank balances	85,085	58,530
Bank overdrafts	(680)	(583)
	<u>84,405</u>	<u>57,947</u>

1 Accounting policies

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

Designated funds These are unrestricted funds earmarked by the trustees for particular purposes.

Revaluation funds These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.

Restricted funds These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Tax reclaims on donations and gifts Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

Donated services and facilities These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

Volunteer help The value of any volunteer help received is not included in the accounts.

Investment income This is included in the accounts when receivable.

Gains/(losses) on revaluation of fixed assets This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

Gains/(losses) on investment assets This includes any gain or loss on the sale of investments.

Notes to the Accounts

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on raising funds	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Expenditure on charitable activities	
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant & Machinery	25% Reducing balance
Motor Vehicle	25% Reducing balance

Trade and other 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Income and endowments from:			
Donations and legacies	59,612	-	59,612
Charitable activities	20,000	20,000	40,000
Other	1,790	-	1,790
Total	81,402	20,000	101,402
Expenditure on:			
Other	113,243	21,859	135,102
Total	113,243	21,859	135,102
Net income	(31,841)	(1,859)	(33,700)
Net income before other gains/(losses)	(31,841)	(1,859)	(33,700)
Other gains and losses:			
Net movement in funds	(31,841)	(1,859)	(33,700)
Reconciliation of funds:			
Total funds brought forward	91,000	8,736	99,736
Total funds carried forward	59,159	6,877	66,036

4 Income from donations and legacies

	Unrestricted	Total 2024	Total 2023
	£	£	£
Donations	20,248	20,248	10,365
Fees receivable	37,590	37,590	47,012
Friends' subscriptions	2,164	2,164	2,235
	<u>60,002</u>	<u>60,002</u>	<u>59,612</u>

5 Income from charitable activities

	Unrestricted	Total 2024	Total 2023
	£	£	£
Grants	68,750	68,750	40,000
	<u>68,750</u>	<u>68,750</u>	<u>40,000</u>

6 Other income

	Unrestricted	Total 2024	Total 2023
	£	£	£
Gift Aid	4,297	4,297	1,790
	<u>4,297</u>	<u>4,297</u>	<u>1,790</u>

7 Other expenditure

	Unrestricted	Restricted	Total 2024	Total 2023
	£	£	£	£
Employee costs	51,927	-	51,927	40,763
Motor and travel costs	12,048	-	12,048	18,225
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	2,036	49	2,085	2,752
General administrative costs	11,739	-	11,739	12,634
Legal and professional costs	3,502	-	3,502	24,472
	<u>81,252</u>	<u>49</u>	<u>81,301</u>	<u>98,846</u>

8 Net income/(expenditure) before transfers

	2024	2023
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	2,085	2,752

9 Staff costs

	2024	2023
Salaries and wages	51,927	40,458
	<u>51,927</u>	<u>40,458</u>

No employee received emoluments in excess of £60,000.

The average monthly number of full-time equivalent employees during the year was as follows:

	2024 Number	2023 Number
Administration and production	2	2
	<u>2</u>	<u>2</u>

10 Tangible fixed assets

	Plant & Machinery £	Motor Vehicle £	Total £
Cost or revaluation			
At 1 August 2023	17,425	18,716	36,141
Additions	1,769	-	1,769
At 31 July 2024	<u>19,194</u>	<u>18,716</u>	<u>37,910</u>
Depreciation and impairment			
At 1 August 2023	9,539	18,512	28,051
Depreciation charge for the year	2,034	51	2,085
At 31 July 2024	<u>11,573</u>	<u>18,563</u>	<u>30,136</u>
Net book values			
At 31 July 2024	<u>7,621</u>	<u>153</u>	<u>7,774</u>
At 31 July 2023	<u>7,886</u>	<u>204</u>	<u>8,090</u>

11 Creditors:

amounts falling due within one year

	2024 £	2023 £
Bank loans and overdrafts	680	583
Other creditors	3,285	-
	<u>3,965</u>	<u>583</u>

12 Movement in funds

	At 1 August 2023	Incoming resources (including other gains/losses) £	Resources expended £	At 31 July 2024 £
Restricted funds:				
Restricted income funds:				
Bedfordshire and Luton Community Foundation (BLCF) - Community Recovery Fund Grant	6,877	-	(49)	6,828
Total	<u>6,877</u>	<u>-</u>	<u>(49)</u>	<u>6,828</u>
Unrestricted funds:				
General funds	59,160	133,049	(110,143)	82,066
Total funds	<u>66,037</u>	<u>133,049</u>	<u>(110,192)</u>	<u>88,894</u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Bedfordshire and Luton Community Foundation (BLCF) – Community Recovery Luton Fund Grant). BLCF Community Recovery Fund 2022-24 supports Khayaal 25 Luton (Drama Academy, Theatre without Walls and Multifaith Stories projects in

13 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	7,608	166	7,774
Net current assets	<u>81,120</u>	<u>-</u>	<u>81,120</u>
	<u>88,728</u>	<u>166</u>	<u>88,894</u>

14 Reconciliation of net debt

	At 1 August 2023 £	Cash flows £	At 31 July 2024 £
Cash and cash equivalents	<u>58,530</u>	<u>26,555</u>	<u>85,085</u>
	58,530	26,555	85,085
Net debt	<u>58,530</u>	<u>26,555</u>	<u>85,085</u>

15 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

The Khayaal Theatre Company
Detailed Statement of Financial Activities

for the year ended 31 July 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:				
Donations and legacies				
Donations	20,248	-	20,248	10,365
Fees receivable	37,590	-	37,590	47,012
Friends' subscriptions	2,164	-	2,164	2,235
	<u>60,002</u>	<u>-</u>	<u>60,002</u>	<u>59,612</u>
Charitable activities				
Grants	68,750	-	68,750	40,000
	<u>68,750</u>	<u>-</u>	<u>68,750</u>	<u>40,000</u>
Other Gift				
Aid	4,297	-	4,297	1,790
	<u>4,297</u>	<u>-</u>	<u>4,297</u>	<u>1,790</u>
Total income and endowments	133,049	-	133,049	101,402
Expenditure on:				
Employee costs				
Salaries/wages	51,927	-	51,927	40,458
Staff training	-	-	-	305
	<u>51,927</u>	<u>-</u>	<u>51,927</u>	<u>40,763</u>
Motor and travel costs				
Travel and subsistence	12,048	-	12,048	18,225
	<u>12,048</u>	<u>-</u>	<u>12,048</u>	<u>18,225</u>
General administrative costs, including depreciation and amortisation				
Depreciation of Plant & Machinery	1,985	49	2,034	2,629
Depreciation of Motor Vehicle	51	-	51	123
Advertisement	702	-	702	1,286
Equipment leasing and hire charges	1,317	-	1,317	1,121
General insurances	1,164	-	1,164	1,870
Refreshments	1,363	-	1,363	2,051
Stationery and printing	3,805	-	3,805	3,357
Subscriptions	265	-	265	254
Sundry expenses	1,864	-	1,864	1,591
Telephone, fax and broadband	1,259	-	1,259	1,104
Venue hire	28,891	-	28,891	36,256
	<u>42,666</u>	<u>49</u>	<u>42,715</u>	<u>51,642</u>
Legal and professional costs				
Audit/Independent examination fees	600	-	600	600

The Khayaal Theatre Company
Detailed Statement of Financial Activities

Sub-contractors	2,496	-	2,496	7,712
Other legal and professional costs	406	-	406	16,160
	<u>3,502</u>	<u>-</u>	<u>3,502</u>	<u>24,472</u>
Total of expenditure of other costs	<u>110,143</u>	<u>49</u>	<u>110,192</u>	<u>135,102</u>
Total expenditure	<u>110,143</u>	<u>49</u>	<u>110,192</u>	<u>135,102</u>
Net gains on investments	-	-	-	-
	<u>22,906</u>	<u>(49)</u>	<u>22,857</u>	<u>(33,700)</u>
Net income/(expenditure)	<u>22,906</u>	<u>(49)</u>	<u>22,857</u>	<u>(33,700)</u>
Net income/(expenditure) before other gains/(losses)	<u>22,906</u>	<u>(49)</u>	<u>22,857</u>	<u>(33,700)</u>
Other Gains	-	-	-	-
	<u>22,906</u>	<u>(49)</u>	<u>22,857</u>	<u>(33,700)</u>
Net movement in funds	<u>22,906</u>	<u>(49)</u>	<u>22,857</u>	<u>(33,700)</u>
Reconciliation of funds:				
Total funds brought forward	<u>59,160</u>	<u>6,877</u>	<u>66,037</u>	<u>99,737</u>
Total funds carried forward	<u>82,066</u>	<u>6,828</u>	<u>88,894</u>	<u>66,037</u>

Accounts

The Khayaal Theatre Company

Charity No. 1100005

Company No. 03597083

Trustees' Report and Unaudited Accounts

31 July 2023

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 July 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 03597083

Charity No. 1100005

Registered Office

Flat 2
Primrose Close
Luton
LU3 1EU

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.
The following Directors and Trustees served during the year:

R. Mughal
S.H.H. Naqvi
F. Qureshi
G. Virani

Company Secretary

L.A. Ali

Accountants

Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF

OBJECTIVES AND ACTIVITIES

The objects for which the company is established are to promote, maintain, improve and advance public education particularly through the research, development, production and performance of drama and theatre inspired by and adapted from Muslim literature and the wisdom literature of other faith traditions.

The company's activities typically include the national touring of on-demand, small scale and high-quality stage performances delivered under its Theatre-without-Walls programme; running drama academies; devising and running theatre-in-education programmes; prospecting for and developing artistic talent; publishing children's books; training; advocacy and consultancy.

ACHIEVEMENTS AND PERFORMANCE

Theatre-without-Walls Programme

We were fortunate to complete our transition back to normal physical touring of Theatre-without-Walls offerings after the pandemic by October 2022 with the support of the DCMS/Arts Council England Cultural Recovery Fund through the first round of Emergency Resource Support (ERS). Thereafter, we went on to have an incredibly busy year serving the cultural and educational needs of our ever-expanding national network of over 300 multi-sector partners.

Over the period August-December 2022, we delivered 3 online performance events and 21 physical touring events nationally comprising 29 performances and workshops benefitting diverse and intergenerational audiences numbering 3500 people working with 25 mostly new partners (64%) across five sectors (academia, community, culture, faith/interfaith, and education).

The highlights of this period included a performance of a popular collection of Commonwealth Tales drawn from the heritages of Muslim majority countries in the Commonwealth for the Birmingham Commonwealth Games 2022 in August in Ward End Park in partnership with OPUS and Victoria Productions and a sell-out performance of Muslim Nativity in December in Smethwick in partnership with The Abrahamic Foundation.

"Salaams! Saw these guys in Ward End yesterday thought they were fab! <https://www.khayaal.co.uk>" – Zoya (Twitter/X) from Civic Square on Commonwealth Tales

"Lady was very good at telling the story 'The Sultan & The Robbers'. I am 30 - and even I was glued! MashaAllah. ?" – Audience Comment on Commonwealth Tales

"...From myself and on behalf of the rest of the staff at the Abrahamic Foundation we want to say a big thanks to you and sister Eleanor for the wonderful performance yesterday. Really and truly captivating, we have received a lot of positive reviews from the parents and children Alhamdulillah. We are looking forward to see Khayaal theatre deliver another performance in the near future In'shaa'Allah..." – Imam Adhem on Muslim Nativity

Other partners over this five-month (Aug-Dec '22) period included Warwick Islamic Education Summer School, Warwick University; Culturama at Rich Mix, London; Young Muslim Writers Awards, Senate House, London; London Borough of Newham; Al-Eman Centre, Bromley; Al-Bayyinah, St Albans; Salaam Centre, Harrow; Islamic College of Advanced Studies, Brent; The Hubb, Gloucester; Al-Khoei Foundation, Brent; Tramshed Woolwich and Greenwich Inclusion Project.

"This was wonderful, moving, a real treat for me and my three wee ones as we are resident in Madinah. Please let us know if you are planning any trips to the Hijaz. It would be wonderful to organise an event in the sacred city!" – Audience comment on 'Flight to Abyssinia' at The Hubb, Gloucester, 17 Sep 2022

"...As soon as Eleanor Martin walked out, she took control of the floor, getting the kids moving and then they surrounded her enthralled as she told them, and involved them in, wisdom tales from across the Muslim world. My 3, who said they didn't want to participate at the start frantically waved their hands to join in and loved every minute." – Susan Baig (Instagram) on Tales from Muslim Heritage, Al-Khoei Foundation, 23 Dec 2022

"...I am stunned as well. It is masterful, every aspect from Eleanor's performance to the video work, the lighting, everything. I feel so grateful and so inspired ..." – Maryam Sinclair on Muslim Nativity online with Al-Manaar, 13 Dec 2022

ACHIEVEMENTS AND PERFORMANCE - cont'd

We began 2023 working in pioneering mode to found the first of its kind multidisciplinary Muslim Artists Academy in partnership with Alchemy Arts and Contact Theatre in Manchester supported by Arts Council England. The lead partner, Alchemy Arts, was founded and is led by Adil Mohammed Javed, a Khayaal alumnus whose cultural leadership potential we prospected for, mentored and developed over the 5-year period 2006-11 while he worked as lead actor on our Salaam and Hearts & Minds productions. After the launch of the Academy's theatre strand on 20th Jan 2023 featuring a keynote presentation by Khayaal CEO, Luqman Ali, Khayaal's directors, Luqman Ali, Mohammed Sesay and Eleanor Martin facilitated 6 weekly 3 hour workshops from 21 Jan – 25 Feb 2023 for primarily young Muslims aspiring to careers in theatre. Over the 6 weeks, participants benefitted from an introduction to basic drama skills, gained an understanding of centuries old Muslim theatre traditions, explored the artistic and production principles underpinning Khayaal's innovative Theatre-without-Walls programme, learned about the British theatre sector and experimented with our page to stage literary interpretation processes.

"I've been busy applying the skills I am learning at the Theatre workshop. Today as part of storytelling week we did the one-word story and built to paragraphs. It was incredible watching how creative 30 young adults were and they took real ownership. They want to film and write book on it next! Boys turned astronaut-superhero Vicky- a mother who is a dinosaur and spaceship/ submarine! It's going to be legendary. Thank you @khayaaltheatre!" – Muslim Artists Academy Theatre Strand Participant, Jan 2023

We continued through the rest of our financial year as we had begun covering new ground in terms of extending our reach to new partners, audiences and geographic localities as well as developing new content for both performances and workshops. Like in 2021-22, we worked virtually again with an international academic partner in the University of Stuttgart contributing a performance of 'The Artists', an adaptation of an iconic story by Jalaluddin Rumi to a conference titled "Art, Aesthetics and Islamic Mysticism: Contemporary Perspectives" on the 30th March. As a result of the impact of our contribution, we were invited to contribute to the publication of an edited volume by Palgrave Macmillan. Unfortunately, due to the demands of our intensive and extensive touring schedule, we were not able to do so.

"Thank you very much for your amazing presentation! It was so inspiring!" – Sara Keuhn, Conference Convenor, University of Vienna (email), 4th Apr '23

Over the course of the seven-month period spanning January-July 2023, we delivered 1 online performance event and 32 physical touring events nationally comprising 57 performances and workshops benefitting diverse and intergenerational audiences numbering 4000 people working with 28 mostly new partners (67%) across seven sectors (academia, charity, community, corporate, culture, education and local government).

Highlights of this period include the sell-out debut of Tales till Ramadan in The Door Studio at Birmingham Rep in March, an oversubscribed event of performances of Eid Tales at Norton Rose Fulbright in London, a hugely successful Ramadan themed performance and conversation engagement at University College Junior School in Hampstead and our tour of Multifaith Stories to 6 primary schools in Finchley and Luton.

"The actress made me feel like all the other characters were there, and I want to do that when I'm older. From memorizing all the lines and rehearsing with imagination, this was the most amazing show ever! I am so inspired." – Asma on Tales till Ramadan at Birmingham Rep

"A pilgrimage into imagination, heart and soul. Thank you." – Audience comment on Tales till Ramadan at Birmingham Rep

"A wonderful Eid get together hosted by Norton Rose Fulbright's Compass Network with a spellbinding performance by The Khayaal Theatre Company." – Cube Network post on Linked-In 2023Jun02

ACHIEVEMENTS AND PERFORMANCE - cont'd

"On Tuesday, the Khayaal Theatre Company visited to celebrate the holy month of Ramadan. In many ways, I wish that our photographer could have been stationed the other way around to capture the faces of the boys as they listened to the stories. I have rarely seen pupils so enraptured and spellbound, which is a timely testament to the raw power of charismatic storytelling put on by an expert performer." – Head of University College Junior School

"All of our schools were privileged this week to receive a visit from the wonderful Khayaal Theatre, who performed a series of multi-faith stories, exploring key values that exist within different faiths. The collection of 4 tales hailed from Hinduism, Judaism, Christianity and Islam, and encouraged the children to show these values in their day-to-day lives, treating others with respect, fairness, love and empathy. A wonderful experience for the pupils involved!" – Pioneer Learning Trust

Other partners over this period were Wardown 9th Scouts, Luton; Manor Side PS, Finchley; Luton Grappling Club; KSIMC London; Islamia Secondary Girls School, London; Tudor PS, Finchley; Oakwood PS, Luton; Advance Charity, London; Luton Borough Council; University of Bedfordshire; Imam Ali Reza Centre, Chelmsford; Someries PS, Luton; Sacred Heart PS, Luton; Ramridge PS, Luton; St Margaret of Scotland PS, Luton; The Hub, Solihull; Stockwood Park Academy, Luton; Khidmah Community Centre, Slough; Standing Advisory Committee on Religious Education, Luton; Luton Council of Faiths; The Yellow, Wembley and Preston Park School, London.

Theatre-without-Walls

2022-2023 Facts & Figures

Physical Output

Events: 53 (49 in 21-22)

Physical Performances & Workshops (units): 86 (79 in 21-22)

Multi-Sector Host Partners: 53 (44 in 21-22)

Local Authorities Reached: 24 (25 in 21-22)

Live Audiences/Beneficiaries: 7,500 (28% of potential audience based on logged demand)

Average Lead Time (from booking to delivery): 7 weeks

Sectors: Education, Academia, Culture, Community, Corporate, Charity, Local Government, Faith/Interfaith

Requests Logged: 130 (146 in 21-22)

New Partners/Requests: 91 (84 in 21-22)

Repeat Partners/Requests: 39

Estimated Potential Physical Audience: 26,000

Artists & Staff (core and freelance): 15

Zahra Afsah, Kat Ali, Luqman Ali, Mohammed Ali, Yusef Ali, Thomas Gray, Amina Koroma, Eleanor Martin, Jumana Moon, Abdullah Mufa, Serena Slack-Robins, Mohammed Sesay, Abbas Shah, Maryam Shaharuddin and Greta Zabulyte (73% from racialised/minoritised communities)

Digital Output

(1)

Hosted Online Performances: 4

Multi-Sector Host Partners: 3

Countries Reached: UK, USA, South Africa, Canada, Turkey, Germany, Spain and beyond

Digital Audiences/Beneficiaries: 250

Sectors: Academic, Education, Faith/Interfaith and Culture

ACHIEVEMENTS AND PERFORMANCE - cont'd

Digital Output - cont'd

(2)

Digital Content Offerings (Films and Audio): 14

Channels/Platforms: Facebook, Instagram, YouTube, Vimeo, Linked-In, Soundcloud and Amazon Add-on Channel, Alchemiya

Digital Audiences/Beneficiaries: 50K minimum

Project offerings in order of quantity delivered:

- Muslim Heritage Stories promoting and celebrating humanitarian values from Afghanistan, Albania, Algeria, Saudi Arabia, Iraq, Palestine, China, Pakistan, Iran, India, Tunisia, Bangladesh, Yemen, Mali, Malaysia, Nigeria, Syria, Lebanon, Somalia, Tanzania, Sierra Leone, Turkey, Syria, Uzbekistan, Andalusia, Yemen, Sudan, East Africa, West Africa, Canada etc. 80%
- Other: House of Wisdom in the Golden Age of Islam, Multifaith Stories, Muslim Nativity, Edhi Means Love, and Riding a Donkey Backwards 20%

New performances and workshops researched, adapted, produced and presented:

Storytelling Theatre Performances

- Malala's Magic Pencil* from Pakistan for Chantry Primary School, Luton – 20mins
- The Garden of Sana'a from Yemen (reworked for adults) for LB of Newham – 10mins
- The Magic Mirror from Andalusia, Spain for Worton Hall, Oxfordshire – 15mins
- The Nightingale of Gjisar from Albania for Tudor & Manor Side Schools, Finchley – 30mins
- The King Maker from Arab heritage for Luton BC Coronation Celebrations – 15mins
- Oh King Live Forever from Muslihuddin Saadi of Iran for Luton BC Coronation Celebrations – 5mins
- The Mouse and the Camel from Jalaluddin Rumi for The Learning Tree, Cambridge – 7mins
- The Story and the Basket from Canada for The Learning Tree, Cambridge – 7mins
- The Old Woman and the Eagle from Afghanistan for The Learning Tree, Cambridge – 7mins
- Kancil and the Tiger from Malaysia for The Learning Tree, Cambridge – 10mins

Total of 126 minutes of new offerings

* The 60-minute interactive multimedia workshop incorporating mime, drama, storytelling, projection and sound followed by participatory drama games and exercises conveys and explores the amazing story of Nobel Laureate Malala Yousafzai. With its focus on the power and influence of the written word to effect positive change in society and the joy of learning, this workshop is designed to boost the enthusiasm and aspiration of children for learning and civic engagement.

"Today, the mesmerising @KhayaalTheatre visited to give our Year 2s an inspiring workshop centred on the remarkable Malala's Magic Pencil book. The children were captivated and used their 'magic pencils' to draw what they think would make the world a better place." – Chantry PA on Twitter 07 Sep 22

Drama and Storytelling Training Workshops

- Muslim Artists Academy, Manchester Workshops x 6, 18hrs
- Bespoke Malala's Magic Pencil post-performance workshop, 40mins
- Bespoke Drama Workshop for 7-11 year olds on A Little Boy Loses His Father's Horse from Al-Ghazali's Book of Knowledge for The Hub, Solihull, 1hr

ACHIEVEMENTS AND PERFORMANCE - cont'd

- House of Wisdom post-performance workshop for Year 7 secondary school pupils for Stockwood Park Academy, Luton, 1hr

Total of 20 hours 40 minutes of new offerings

Drama Academies Project

Khayaal invested ground-breaking conceptual, pedagogical and dramaturgical creativity in laying the foundations for the development of a culturally sensitive and affirmative drama academy curriculum that brings together character virtues, Muslim heritage stories and drama education for especially Muslim children spanning the ages of 3-16 with the support of the National Lottery Community Fund through the months May-September 2022.

We continued delivery of a monthly drama academy for children each comprising 3 workshops for children aged 3-5, 5-7 and 8-14 respectively at CQC on Radegund Road, Cambridge for the second full year with the support of the Safera Foundation. Over this reporting term, we delivered 8 sessions benefitting 35 children and 20 families.

We launched continuous fortnightly drama training provision for children aged 5-7 and 8-11 on Saturday 22nd October 2022 at Friends Meeting House, Crawley Green Road, Luton with the support of Bedfordshire and Luton Community Foundation's Community Recovery Fund. By the end of this reporting period, we had delivered 16 sessions each comprising 2 age specific workshops for 5-7s and 8-11s respectively benefitting 16 children and 12 families.

We developed the plans for our third drama academy location in New Malden, SW London for Muslim children of Turkish heritage in collaboration with members of the Turkish community across the Kingston, Morden, and New Malden areas. The launch of the initially monthly academy was scheduled for October 2023 to take place at the Shiraz Mirza Community Hall.

"Participating in the Khayaal Drama Academy was a transformational experience for our daughter, enabling her to use her imagination and express herself in a way she had never done before. It was wonderful to see her grow in confidence and develop a curiosity and interest in Muslim heritage, cultures and values. She left each session inspired to learn and share stories, and to think carefully about what lessons they could teach us. She built many friendships and looked forward to each session excitedly. We can't endorse it highly enough. Thank you to the brilliant team." – Dr Ahmed Rashid 26 Mar 2024

Drama Academies

2022-2023 Facts & Figures

2 Locations

24 Session Days

58 Workshops Developed and Delivered

51 Participant Children

32 Beneficiary Families

ACHIEVEMENTS AND PERFORMANCE - cont'd

Developments in the Wider Work of Khayaal 2022-2023

- Luqman Ali, our CEO & Artistic Director, advanced the cultural and artistic advocacy of Khayaal in its hometown of Luton by giving a presentation at Luton Borough Council's Luton 2040 Conference on Theatre: A Global Magnet for Inward Investment on 25th January 2023. 100 civic and community leaders at the Luton 2040 conference were afforded the opportunity of learning about the cultural capital and intelligence that Khayaal has accrued as Luton's oldest professional theatre company and the global appeal of its expertise in Muslim heritage interpretation that has the potential to attract exponentially more investment into Luton over the coming decade, especially from the global 'halal' market that is projected to grow to \$11.2 trillion by 2028. As a result of the insights and learning gained by Luton Borough Council, we have been expressly assured by Jane Malcolm at LBC that Khayaal is now being factored into the Luton 2040 plan and will be extended every possible support to fulfil its potential.

"Thanks so much for taking time out to present, Luqman. It was great to see so many people engaged in that room both when you spoke and later in the afternoon. Shows the appetite there is for change." – Luke Dwyer, LBC by email on 30 Jan '23

- Luqman Ali advanced the cultural and artistic advocacy of Khayaal in an article for the Summer 2023 edition of the sector popular RE Today Magazine titled 'What is Worth Celebrating' reflecting on the way in which communities seek Khayaal out to help them capture and preserve the meanings and values of especially but not solely the celebrations of the two Eid Festivals.

- Luqman Ali advanced the cultural and artistic advocacy of Khayaal in Luton by giving a keynote multimedia presentation at the University of Bedfordshire's Arts & Culture Heritage Fund Project Symposium event to mark the achievements of the Heritage Impact Accelerator and Heritage Enterprise Hub funded by the National Lottery Heritage Fund on 17th May 2023.

"@khayaaltheatre you guys are such a jewel of Luton - leading the way and at the forefront of literary heritage and cultural empowerment. Was wonderful hearing about all your work today x" – raeleaverrahman (Instagram 17May23)

- Luqman Ali was invited by Windsor Leadership Trust to participate in the 2022 Strategic Leaders Consultation on 3rd and 4th November, its most senior and prestigious residential programme at St George's House, Windsor Castle. The consultation was held under the Chatham House Rule, and enabled leaders at the highest level to debate the complex issues of leadership which will shape the future of their organisations and society. It brings together senior leaders from across all the sectors including military, government, corporate, faith, education and voluntary sectors.

- Luqman Ali and Eleanor Martin were invited to attend King Charles III Charitable Fund Summer Reception at St James's Palace on 12 July 2023 after Khayaal successfully won the support of the Fund for its Theatre-without-Walls Programme earlier in the calendar year.

- Luqman Ali, Artistic Director and CEO, continued to serve as an Advisor/Trustee Director at Amal (www.amal.org.uk). He initially served as the founding convening advisor of the organisation in 2016 and became a Trustee Director in 2020.

- PhD student Serena Slack-Robins continued to work on our 3-year (2021-2024) funded PhD project on British Muslim Engagement with Theatre in partnership with Manchester Metropolitan University, the Arts and Humanities Research Council and North West Consortium Doctoral Training Partnership. However, due to the impact of the pandemic, the term of the project has had to be extended to 2026.

ACHIEVEMENTS AND PERFORMANCE - cont'd

Eleanor Martin was engaged to record the voiceover narration for Matmedia Production's acclaimed film '*In Search of the Beloved*' chronicling the story of the hijrah when the Prophet Muhammad and his followers migrated from Mecca to Medina in February 2023. The film went on to feature at Bradford Literature Festival, The Islamic Arts Biennale in Jeddah, KSA and The King Abdulaziz Center for World Culture, Dhahran, KSA

- Khayaal initiated a new partnership with Sing Up in June to increase the number of songs from Muslim cultures in its Song Bank for the benefit of especially but not solely Muslim children in UK primary schools. This will include the composition of new songs as well as the sourcing of existing songs from Muslim artists in order to enrich the cultural lives of primary school pupils and contribute to intercultural understanding and conviviality
- We continued to support students and academics in undergraduate and postgraduate education at academic institutions with their research on Islam and Muslim-related theatre, drama, literature, art and culture including students and faculty at University of Warwick, University of Waikato, New Zealand; University of Munster, Germany; Kingston School of Art; Amsterdam University of the Arts; Goldsmith University and University of Oxford.
- *We continued to leverage our expertise, experience and accrued cultural capital to provide development support, consultancy and advice to both emerging and experienced Muslim artists and arts organisations e.g. Mimar Collective, Birmingham; Alchemy Arts, Manchester; 786 Arts, Virginia, USA; Young Muslim Writers Awards, London; Qatar Foundation and seven individual artists in the UK, The Netherlands, Australia, Turkey, Egypt and the USA.*
- Our work attracted press and media coverage from Inspire FM, Luton; My Mecra, Turkey; RE Today, London; and Unity FM, Birmingham.
- We continued to advocate for justice and equity in the UK cultural sector for minoritized and racialised audiences, artists, cultural practitioners and cultural producers in relation to socio-cultural opportunities, recognition, access to public space, funding and representation. Interlocutors on these issues included Arts Council England, Esmée Fairbairn Foundation, Paul Hamlyn Foundation, National Lottery Community Fund and London Borough of Richmond. Despite public acknowledgements of structural injustice and inequity in the sector and the formulation of new funding policies to address these issues on the part of funders and development agencies in the wake of George Floyd, Windrush and the disproportionate impact of Covid on minority communities, we continued to experience exclusion and a lack of understanding of the society-wide inequalities and disparities that stifle the aspirations of minority cultural actors. These include but are not limited to unjustifiably high thresholds and inflated expectations on the part of funders when it comes to scale of operation, impact and turnover that can only be based on the erroneous assumption that minority cultural producers benefit from equal access to resources and opportunities and a level playing field. By evidencing the wide socio-economic and socio-cultural disparities that disadvantage BAME communities when it comes to average household wealth, employment prospects, physical and mental health outcomes, acceptance and belonging and multiple deprivation, we endeavoured to convince our interlocutors that real equity means calibrating threshold and expectation criteria for support to the realities of the lived experience of minorities in the round. For example, when the average household wealth of a white British family (£314K) is ninefold that of a black African family (£34K), it is manifestly clear that the socio-economic barriers to socio-cultural inclusion and stake-holding where the arts are concerned are in no way comparable.

ACHIEVEMENTS AND PERFORMANCE - cont'd

Monitoring & Evaluation

Company

Overall evaluation and risk analysis of the company's activities over the year using internal measurements and indicators and assessment of the satisfaction of staff, volunteers, partners and beneficiaries resulted in the following key findings:

- High levels of satisfaction with Khayaal's products and services both quantitatively and qualitatively relative to human, material and financial resources at our disposal.
- Continuous up-skilling and professional development critical to improving quality and generating innovation and creativity.
- More stable and longer-term financial investment critical to growth and realisation of potential.
- Challenges presented by impact of pandemic and cost-of-living crisis will need to be met with creative and entrepreneurial ingenuity and a highly adaptive business model.

Performances & Workshops

Our ongoing evaluation of audiences' and partners' responses to our original adaptations of humanitarian values tales and stories from Muslim and multifaith literature led to the following key findings:

- Muslim audiences respond to our work with an increase feeling of belonging, pride and heightened aspiration, all of which contribute to greater awareness of and confidence in the inclusive resources within their cultural traditions that encourage integration and foster contributory citizenship within wider society.
- Audiences from other traditions, both faith and secular, respond to our work with high levels of appreciation and gratitude for the opportunity to experience the aesthetics, wisdom, humour and humanity of Muslim cultures in performance made accessible by our work.
- Both audiences express high levels of commendation and appreciation for the opportunity for intercultural dialogue, engagement and understanding within one of Britain's most important socio-cultural institutions and art forms.
- Over the past year 81% of those polled as part of our evaluation exercises rated their experience of our work as excellent or good. When asked to what extent they believe our work contributes to greater valuation and appreciation of literature, drama, storytelling and culture within Muslim communities 78% said either exceedingly or tremendously. When asked to what extent they believe our work contributes to greater interfaith and intercultural dialogue, engagement and understanding between communities based on this experience 76% said either exceedingly or tremendously.

FINANCIAL REVIEW

During the year under review the charity received unrestricted income of £81,402 (2022: £158,422) and restricted income of £20,000 (2022: £18,333) and had an expenditure of £113,243 (2022: £126,592) and £21,859 (2022: £10,029) for unrestricted and restricted respectively. At the Balance Sheet date the charity held unrestricted funds of £59,159 (2022: £91,001) and restricted funds of £6,877 (2022: £8,736) .

The Trustee Directors have established a reserves policy that holds that unrestricted funds equivalent to a minimum of 12 weeks of the last complete financial year's turnover be held by the theatre company to cover current liabilities, commitments and activities/operations for three calendar months. For the current year, this equates to £23,400.

The purpose of this policy is to ensure that Khayaal TC is able to act in the interests of its charitable purposes and its beneficiaries, as well as protecting and safeguarding its assets and ensuring that due diligence is taken in complying with current legislation and good practice guidance.

The trustees have given due consideration to the ability of the Charity to continue as a going concern. Due to the continued support the charity receives from its donors and the public, the trustees are satisfied that the going concern basis remains appropriate in preparing these financial statements. Furthermore, the charity believes that the level of unrestricted funds held remains sufficient to support the activities of the charity in the foreseeable future.

Financial and risk management objectives and policies

Risk mitigation has been central to the organisational management processes that have ensured that we have alternately survived and flourished for over two decades. We manage and mitigate risk by maintaining a high level of industry awareness and forecasting. This is achieved by monitoring developments in our sector and related sectors in the media and public forums. We also review our organisational SWOT analysis on a regular basis taking into consideration market trends here and abroad affording us continuous tracking across analysis factors. Where financial risk is concerned, we have primarily employed the combined strengths of scalability, commitment, ingenuity and passion in order to adapt to changing circumstances and transform challenges into opportunities. Our core staff and board of directors share responsibility for risk mitigation.

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Principal funding source

Over the year 2022-23, our funding came from a mix of sources as follows:

- Grants 39% from Bedfordshire and Luton Charitable Foundation, Safera Foundation, King Charles III Charitable Fund and 29th May 1961 Charitable Trust (75% in 21-22)
- Donations & Gift Aid 10% (9% in 20-21)
- Income from sales and services 15% (6.5% in 20-21 due to impact of pandemic / 34% in 18-19)
- Restricted Fund Grants: (1) Amal for Theatre-without-Walls project (2) Bedfordshire and Luton Community Foundation's Community Recovery Fund for Khayaal 25 Luton project.
- In-Kind support and resources in terms of underpaid core staff time relative to multidisciplinary expertise and experience, volunteer time, host partners' contributions of performance spaces, digital channels, staff time, publicity, etc. have been quantified and valued monetarily as equivalent to at least 50% of cash turnover at £88K
- Donations & Gift Aid 15% (10% in 21-22)
- Income from sales and services 46% (15% in 21-22 due to impact of pandemic / 34% in 18-19)

- In-kind support and resources in terms of underpaid core staff time relative to multidisciplinary expertise and experience, volunteer time, host partners' contributions of performance spaces, digital channels, staff time, publicity, administration, etc. have been quantified and valued monetarily as equivalent to at least 65% of cash turnover at £66K.

PLANS FOR FUTURE PERIODS

Future plans for 2022-2023

- We will continue laying the foundations for continuous drama academy provision integrating drama, character virtues and Muslim literature beginning with monthly drama academies for mainly but not solely Muslim children aged 5-15 in Cambridge, Luton and NW London. Once we have established the monthly provision, we will then work to expand to fortnightly and later weekly provision. The Cambridge academy has been up and running for 18 months and the Luton academy for 6 months to date, so this work is well underway.
- Delivering 50-60 physical Theatre-without-Walls performance events nationally with multi-sector partners.
- Leveraging our accrued cultural capital and longstanding, privileged partnerships with BAME/Muslim communities in order to increase our grant funding from public and private funders including trusts/foundations.
- Redeveloping our website and refreshing and enriching our branding across our social media channels.
- Continue work on our 3-year (2021-2024) funded PhD project on British Muslim Engagement with Theatre in partnership with Manchester Metropolitan University, the Arts and Humanities Research Council and North West Consortium Doctoral Training Partnership. The project will be delivered by our successful applicant doctoral student Serena Slack-Robins who returns to Khayaal after working with us 23 years ago on our debut production, Conference of the Birds.
- We will work with emerging partner ETHOX, Oxford University to develop a proposal and fundraise for an applied theatre project to explore attitudes to death and dying in British Muslim communities with a focus on the relationships between these communities and providers of palliative end-of-life care.
- Delivering 50-60 physical Theatre-without-Walls performance events nationally with multi-sector partners.
- We will look to increase the frequency of our drama academies in Luton, Cambridge and SW London (New Malden) from fortnightly to weekly in the case of Luton and from monthly to fortnightly in the case of Cambridge and New Malden subject to feasibility and available resources. We will also look to launch our fourth location in NW London in response to growing demand.
- Leveraging our accrued cultural capital and longstanding, privileged partnerships with BAME/Muslim communities in order to increase our grant funding from public and private funders including trusts/foundations.
- Redeveloping our website and refreshing and enriching our branding across our social media channels.
- Continue work on our 3-year (2021-2024) funded PhD project on British Muslim Engagement with Theatre in partnership with Manchester Metropolitan University, the Arts and Humanities Research Council and North West Consortium Doctoral Training Partnership.
- We will work with new partner Outside Edge Theatre Company to apply our work to the improvement of mental health outcomes in the London boroughs of Newham and Tower Hamlets.

- We will continue our work with Birmingham Repertory Theatre to develop a long-term working relationship in order to serve the socio-cultural and arts education needs of the largest Muslim community in the UK.
- We will work to support the drama education and school theatre production programmes at three grant-aided Muslim primary schools in NW London, namely Barnet Hill Academy, Islamia Primary School and Harmony Primary School with workshops for teachers and students and dramaturgical support for ongoing rehearsals that will culminate in showcase performance events at the arts depot.
- We will initiate new partnerships with Landmark Theatres in Peterborough and The Curve in Slough in order to help support their cultural diversity and inclusion aspirations in relation to their local Muslim communities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

F. Qureshi
Trustee
25 April 2024

Independent Examiner's Report to the trustees of The Khayaal Theatre Company

I report to the charity trustees on my examination of the financial statements of The Khayaal Theatre Company for the year ended 31 July 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 financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the financial statements of the Charity 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 financial statements 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

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements 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 financial statements to be reached.

Sajjad Tejani FCCA
Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF
25 April 2024

The Khayaal Theatre Company
Statement of Financial Activities
for the year ended 31 July 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
	Notes				
Income and endowments from:					
Donations and legacies	4	59,612	-	59,612	36,932
Charitable activities	5	20,000	20,000	40,000	129,583
Investments	6	-	-	-	31
Other	7	1,790	-	1,790	10,209
Total		81,402	20,000	101,402	176,755
Expenditure on:					
Other	8	113,243	21,859	135,102	136,620
Total		113,243	21,859	135,102	136,620
Net gains on investments		-	-	-	-
Net (expenditure)/income	9	(31,841)	(1,859)	(33,700)	40,135
Transfers between funds		-	-	-	-
Net (expenditure)/income before other gains/(losses)		(31,841)	(1,859)	(33,700)	40,135
Other gains and losses					
Net movement in funds		(31,841)	(1,859)	(33,700)	40,135
Reconciliation of funds:					
Total funds brought forward		91,000	8,736	99,736	59,601
Total funds carried forward		59,159	6,877	66,036	99,736

The Khayaal Theatre Company
Summary Income and Expenditure Account
for the year ended 31 July 2023

	2023 £	2022 £
Income	101,402	176,724
Interest and investment income	-	31
Gross income for the year	<u>101,402</u>	<u>176,755</u>
Expenditure	132,350	133,458
Depreciation and charges for impairment of fixed assets	2,752	3,162
Total expenditure for the year	<u>135,102</u>	<u>136,620</u>
Net (expenditure)/income before tax for the year	(33,700)	40,135
Net (expenditure)/income for the year	<u><u>(33,700)</u></u>	<u><u>40,135</u></u>

The Khayaal Theatre Company

Balance Sheet

at 31 July 2023

Company No. 03597083	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	11	8,089	10,246
		<u>8,089</u>	<u>10,246</u>
Current assets			
Cash at bank and in hand		58,530	92,578
		<u>58,530</u>	<u>92,578</u>
Creditors: Amount falling due within one year	12	(583)	(3,088)
Net current assets		57,947	89,490
Total assets less current liabilities		66,036	99,736
Net assets excluding pension asset or liability		66,036	99,736
Total net assets		<u>66,036</u>	<u>99,736</u>
The funds of the charity			
Restricted funds	13		
Restricted income funds		6,877	8,736
		<u>6,877</u>	<u>8,736</u>
Unrestricted funds	13		
General funds		59,159	91,000
		<u>59,159</u>	<u>91,000</u>
Reserves	13		
Total funds		<u>66,036</u>	<u>99,736</u>

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

For the year ended 31 July 2023 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 25 April 2024

And signed on its behalf by:

F. Qureshi

Trustee

25 April 2024

The Khayaal Theatre Company
Statement of Cash flows
for the year ended 31 July 2023

	2023 £	2022 £
Cash flows from operating activities		
Net (expenditure)/income per Statement of Financial Activities	(33,700)	40,135
Adjustments for:		
Depreciation of property, plant and equipment	2,752	3,162
Dividends, interest and rents from investments	(1,790)	(10,240)
(Decrease)/Increase in trade and other payables	(2,505)	1,055
Net cash (used in)/provided by operating activities	<u>(35,243)</u>	<u>34,112</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(595)	(1,759)
Dividends, interest and rents from investments	1,790	10,240
Net cash from investing activities	<u>1,195</u>	<u>8,481</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	(34,048)	42,593
Cash and cash equivalents at the beginning of the year	92,578	49,985
Cash and cash equivalents at the end of the year	<u>58,530</u>	<u>92,578</u>
Components of cash and cash equivalents		
Cash and bank balances	58,530	92,578
	<u>58,530</u>	<u>92,578</u>

1 Accounting policies

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
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Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
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Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
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Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
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Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
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Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
-------------------------------------	--

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant & Machinery	25% Reducing balance
Motor Vehicle	25% Reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Income and endowments from:			
Donations and legacies	36,932	-	36,932
Charitable activities	111,250	18,333	129,583
Investments	31	-	31
Other	10,209	-	10,209
Total	158,422	18,333	176,755
Expenditure on:			
Other	126,592	10,029	136,620
Total	126,592	10,029	136,620
Net income	31,831	8,305	40,135
Net income before other gains/(losses)	31,831	8,305	40,135
Other gains and losses:			
Net movement in funds	31,831	8,305	40,135
Reconciliation of funds:			
Total funds brought forward	59,170	431	59,601
Total funds carried forward	91,001	8,736	99,736

4 Income from donations and legacies

	Unrestricted £	Total 2023 £	Total 2022 £
Donations	10,365	10,365	8,244
Fees receivable	47,012	47,012	26,563
Friends' subscriptions	2,235	2,235	2,125
	59,612	59,612	36,932

5 Income from charitable activities

	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Grants	20,000	20,000	40,000	129,583
	20,000	20,000	40,000	129,583

6 Income from investments

	Total 2023	Total 2022
	£	£
Interest income	-	31
	<u>-</u>	<u>31</u>

7 Other income

	Unrestricted	Total 2023	Total 2022
	£	£	£
Gift Aid	1,790	1,790	7,760
JRS Grant	-	-	2,449
	<u>1,790</u>	<u>1,790</u>	<u>10,209</u>

8 Other expenditure

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Employee costs	22,408	18,355	40,763	44,000
Motor and travel costs	17,558	667	18,225	17,072
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	2,644	108	2,752	3,162
General administrative costs	47,297	1,593	48,890	14,969
Legal and professional costs	23,336	1,136	24,472	22,863
	<u>113,243</u>	<u>21,859</u>	<u>135,102</u>	<u>102,066</u>

9 Net (expenditure)/income before transfers

	2023	2022
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	2,752	3,162
Independent Examiner's fee	600	600
Other fees paid to the auditor or independent examiner	-	722

10 Staff costs

	2023	2022
Salaries and wages	40,458	43,942
	<u>40,458</u>	<u>43,942</u>

No employee received emoluments in excess of £60,000.

The average monthly number of full time equivalent employees during the year was as follows:

	2023 Number	2022 Number
Administration and production	5	5
	<u>5</u>	<u>5</u>

11 Tangible fixed assets

	Plant & Machinery £	Motor Vehicle £	Total £
Cost or revaluation			
At 1 August 2022	16,829	18,716	35,545
Additions	595	-	595
At 31 July 2023	<u>17,424</u>	<u>18,716</u>	<u>36,140</u>
Depreciation and impairment			
At 1 August 2022	6,910	18,389	25,299
Depreciation charge for the year	2,629	123	2,752
At 31 July 2023	<u>9,539</u>	<u>18,512</u>	<u>28,051</u>
Net book values			
At 31 July 2023	<u>7,885</u>	<u>204</u>	<u>8,089</u>
At 31 July 2022	<u>9,919</u>	<u>327</u>	<u>10,246</u>

12 Creditors:

amounts falling due within one year

	2023 £	2022 £
Other creditors	583	3,088
	<u>583</u>	<u>3,088</u>

13 Movement in funds

	At 1 August 2022	Incoming resources (including other gains/losses) £	Resources expended £	At 31 July 2023 £
Restricted funds:				
Restricted income funds:				
Bedfordshire and Luton Community Foundation (BLCF) - Community Recovery Fund Grant	8,736	20,000	(21,859)	6,877
<i>Total</i>	<u>8,736</u>	<u>20,000</u>	<u>(21,859)</u>	<u>6,877</u>
Unrestricted funds:				
General funds	91,000	81,402	(113,243)	59,159
<i>Total funds</i>	<u>99,736</u>	<u>101,402</u>	<u>(135,102)</u>	<u>66,036</u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Bedfordshire and Luton Community Foundation (BLCF) - Community Recovery Fund Grant

BLCF Community Recovery Fund 2022-24 supports Khayaal 25 Luton (Drama Academy, Theatre without Walls and Multifaith Stories projects in Luton).

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	7,874	215	8,089
Net current assets	57,947	-	57,947
	<u>65,821</u>	<u>215</u>	<u>66,036</u>

15 Reconciliation of net debt

	At 1 August 2022 £	Cash flows £	At 31 July 2023 £
Cash and cash equivalents	92,578	(34,048)	58,530
	<u>92,578</u>	<u>(34,048)</u>	<u>58,530</u>
Net debt	<u>92,578</u>	<u>(34,048)</u>	<u>58,530</u>

16 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

The Khayaal Theatre Company
Detailed Statement of Financial Activities
for the year ended 31 July 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:				
Donations and legacies				
Donations	10,365	-	10,365	8,244
Fees receivable	47,012	-	47,012	26,563
Friends' subscriptions	2,235	-	2,235	2,125
	<u>59,612</u>	<u>-</u>	<u>59,612</u>	<u>36,932</u>
Charitable activities				
Grants	20,000	20,000	40,000	129,583
	<u>20,000</u>	<u>20,000</u>	<u>40,000</u>	<u>129,583</u>
Investments				
Interest income	-	-	-	31
	<u>-</u>	<u>-</u>	<u>-</u>	<u>31</u>
Other				
Gift Aid	1,790	-	1,790	7,760
JRS Grant	-	-	-	2,449
	<u>1,790</u>	<u>-</u>	<u>1,790</u>	<u>10,209</u>
Total income and endowments	81,402	20,000	101,402	176,755
Expenditure on:				
Employee costs				
Salaries/wages	22,408	18,050	40,458	43,942
Staff training	-	305	305	58
	<u>22,408</u>	<u>18,355</u>	<u>40,763</u>	<u>44,000</u>
Motor and travel costs				
Travel and subsistence	17,558	667	18,225	17,072
	<u>17,558</u>	<u>667</u>	<u>18,225</u>	<u>17,072</u>
General administrative costs, including depreciation and amortisation				
Depreciation of Plant & Machinery	2,521	108	2,629	2,998
Depreciation of Motor Vehicle	123	-	123	164
Advertisement	106	1,180	1,286	1,066
Equipment leasing and hire charges	708	413	1,121	3,223
General insurances	1,870	-	1,870	1,733
Refreshments	2,051	-	2,051	1,597
Stationery and printing	3,357	-	3,357	4,641
Subscriptions	254	-	254	279
Sundry expenses	1,591	-	1,591	1,308
Telephone, fax and broadband	1,104	-	1,104	1,122
Venue hire	36,256	-	36,256	34,554

The Khayaal Theatre Company
Detailed Statement of Financial Activities

	49,941	1,701	51,642	52,685
Legal and professional costs				
Audit/Independent examination fees	600	-	600	1,380
Sub-contractors	6,576	1,136	7,712	14,465
Other legal and professional costs	16,160	-	16,160	7,018
	23,336	1,136	24,472	22,863
Total of expenditure of other costs	113,243	21,859	135,102	136,620
Total expenditure	113,243	21,859	135,102	136,620
Net gains on investments	-	-	-	-
Net (expenditure)/income	(31,841)	(1,859)	(33,700)	40,135
Net (expenditure)/income before other gains/(losses)	(31,841)	(1,859)	(33,700)	40,135
Other Gains	-	-	-	-
Net movement in funds	(31,841)	(1,859)	(33,700)	40,135
Reconciliation of funds:				
Total funds brought forward	91,000	8,736	99,736	59,601
Total funds carried forward	59,159	6,877	66,036	99,736

Accounts

The Khayaal Theatre Company

Charity No. 1100005

Company No. 03597083

Trustees' Report and Unaudited Accounts

31 July 2022

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 July 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 03597083

Charity No. 1100005

Registered Office

42 Alexandra Avenue

PO Box 2523

Luton

LU3 9BN

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

R. Mughal

S.H.H. Naqvi

F. Qureshi

G. Virani

Company Secretary

L.A. Ali

Accountants

Sabat Accountants Ltd t/a Seymour King

Suite G1

Hartsbourne House

Delta Gain

Watford

WD19 5EF

OBJECTIVES AND ACTIVITIES

The objects for which the company is established are to promote, maintain, improve and advance public education particularly through the research, development, production and performance of drama and theatre inspired by and adapted from Muslim literature and the wisdom literature of other faith traditions.

The company's activities typically include touring stage performances (Theatre-without-Walls), running drama workshops, devising and running theatre-in-education programmes, publishing children's books, training, advocacy and consultancy.

ACHIEVEMENTS AND PERFORMANCE

As the pandemic conditions of the past 16 months continued to subside, we continued to transition back to the physical delivery of Theatre-without-Walls's on demand, small-scale and high quality and impact offerings for our multi-sector partners across the country. This transition was made possible by the continued support of the DCMS/Arts Council England Cultural Recovery Fund through the first round of Emergency Resource Support (ERS). We also continued to serve virtual audiences globally with our catalogue of short films (via YouTube, Vimeo, Alchemiya and our social media channels) created during the height of the pandemic in 2020-21 and online performance events using Zoom. Working in this hybrid way proved as demanding as it was gratifying and in many ways the pandemic served to help us fulfil longstanding aspirations to reach wider audiences beyond borders.

Over the period August-December 2021, we delivered 6 online performance events and 15 physical touring events comprising 25 performances/workshops and 10 offerings benefitting national and international audiences numbering 3000 mostly with new partners across six sectors (academia, community, culture, faith/interfaith, education and charity).

The highlights of this period were our successful debut at Cheltenham Literature Festival where we regaled lively and super enthusiastic audiences of primary school children (ages 5-6) with comic tales from our award-winning book for children, 'Riding a Donkey Backwards' and our online streaming event with Institute of Business Administration (IBA) Karachi where we shared our acclaimed 'Edhi Means Love' film telling the inspiring story of the peerless Pakistani humanitarian of the 21st century and Nobel Prize nominee, Abdul Sattar Edhi.

"Having two performers worked really well and the interactive qualities and humour throughout kept our young audience enrapt." – Loraine Evans, Cheltenham Literature Festival

"... The script is so engaging and inspirational. As discussed in the panel discussion, preparing this screenplay in other part of the world proves the universality of Edhi sb. Thank you for this." – Dr Asma Hyder, IBA Karachi

Other partners over this five-month period included Muslim Charity Forum, Iqra Book Festival, Council for World Mission, Cambridge University, Muslim Institute, Newham Borough Council, Luton Culture and Milton Keynes Islamic Art and Culture. Offerings included Riding a Donkey Backwards, Rumi Tales, 1001 Stories, House of Wisdom in the Golden Age of Islam, Multifaith Stories, Muslim Nativity and Muslim Heritage Stories.

"I just wanted to share that the wonderful performance we attended at Stockwood Discovery centre sparked off my girls to perform their much loved gruffalo story play - JzkAllah Khayr for your wonderful story telling session on trees." – mamateachesme

(Instagram Luton Muslim Homeschooling Group 16.7k followers) on Stories from the Trees, Multifaith Stories on the environment

"Thank you once again for your input. Michael of Council of World Mission was very impressed by you which is not a surprise. He will be keen in the future to explore further avenues of involving you at some other national/international platforms ..." – David Jonathan, Luton Council of Faiths & Grassroots on Building Life-flourishing Communities

"Thank you once again for taking the time to visit and for giving these pupils something which I think is a lifetime experience – by bringing engaging and Islamic theatre to school. The performance and workshops were brilliant and I can't thank you enough ..." – Hannah Malik, Preston Girls Muslim High on Muslim Heritage Stories

"Atheist household here (raised Muslim and Christian) - very much enjoyed this and value the perspective. Nice to get multiple perspectives for our child." – Atheist on Muslim Nativity

It's a great production and she is a wonderful storyteller! It takes a real gift to keep attention with only your person and your voice. I think we could learn something of telling the story contextually from this. It was brilliant how it wove contemporary themes (and Christmas music) into the story ("Chestnuts roasting on an altar fire..."); poverty, injustice. And the haunting use of the melody of "O Come O Come Emmanuel, but contextually changed to an Islamic theme." – Christian on Muslim Nativity

We began 2022 excited by the prospects of our first full calendar year of normal physical touring of Theatre-without-Walls offerings after the pandemic and reaching the incredible milestone of 25 years of service. The 7-month period leading up until our FYE 31st July 2022 proved very busy indeed as we received a surge in demand as both new and existing multisector host partners requested to work with us to reconnect and re-socialise their communities. As a result, output over this period actually surpassed that of the pre-pandemic year of 2019 by 29% in relation to events and by 40% in relation to performance/workshop units delivered. 50% of our host partners were new over the period leading us to work for the first time in Northern Ireland with Sole Purpose Productions as they, like us, were celebrating their 25th anniversary. We were also thrilled to work for the first time with both Cambridge Central Mosque and Cambridge Muslim College. Our artistic collaboration with producer Farokh Marvasti and Eurasia Symphony Orchestra on the stupendous Gathering of the Birds Concert at Central Westminster Hall saw us revisit on a large scale the literary subject of our 1998 debut production, Conference of the Birds, by the Persian Sufi apothecary and sage Fariduddin Attar. Approximately 800 people attended this event, most of whom were of Iranian/Persian heritage.

Other highlights of the Jan-Jul 2022 period included a sell-out third partnership event with Oxford University Islamic Society, a near capacity second engagement with Sufi Festival in Glasgow and a sell-out fifth engagement with the Compass Network at Norton Rose Fulbright in London. We were also fortunate to deliver a co-creational 5-week residency in partnership with Faiths Forum for London and Bilal Education in Romford, E. London during which we worked with 20 young people of Swahili/East African heritage to explore, develop and perform Swahili folktales for their communities supported by The Platinum Jubilee Fund. We ended the year contributing to our local Denbigh High School's Enrichment Week with interactive performances of wisdom tales from E. Africa, Iraq, Iran, China and Rumi for 450 pupils over two days.

Physical Output

Events: 49

Physical Performances & Workshops (units): 79

Multi-Sector Host Partners: 44

Local Authorities Reached: 25

Live Audiences/Beneficiaries: 7,600 (30% of potential audience)

Average Lead Time (from request to delivery): 7 weeks

Artists: 10

Sectors: Education, Academia, Culture, Community, Corporate, Charity, Local Government, Faith/Interfaith

Requests Logged: 146

New Partners/Requests: 84

Repeat Partners/Requests: 62

Estimated Potential Physical Audience: 25,000

Digital Output

(1)

Hosted Online Performances: 7

Multi-Sector Host Partners: 6

Countries Reached: UK, USA, South Africa, Canada, Pakistan, Germany, Spain and beyond

Digital Audiences/Beneficiaries: 1,011

Sectors: Education, Community, Faith/Interfaith, Culture, Academic and Charity

(2)

Digital Content Offerings (Films and Audio): 14

Channels/Platforms: Facebook, Instagram, YouTube, Vimeo, Linked-In, Soundcloud, Alchemiya and Islam Channel

Digital Audiences/Beneficiaries: 100K minimum

Project offerings in order of quantity delivered:

- Muslim Heritage Stories promoting and celebrating humanitarian values from Afghanistan, Saudi Arabia, Iraq, Palestine, China, Pakistan, Iran, India, Tunisia, Bangladesh, Yemen, Mali, Nigeria, Syria, Lebanon, Somalia, Tanzania, Sierra Leone, Turkey, Syria, Uzbekistan, Andalusia, Sudan, etc. 80%
- Other: House of Wisdom in the Golden Age of Islam, Multifaith Stories, Muslim Nativity, Edhi Means Love, Riding a Donkey Backwards and Conference of the Birds 20%

New performances and workshops researched, developed, produced and presented:

Storytelling Theatre Performances

- The Magical Pear Tree, a Taoist tale from China, 10mins, for Luton Culture
- Fruits of the Future, Now, a tale from Iran, 10mins, for Luton Culture
- Animal Lawsuit Against Humanity, a parabolic film by the Brethren of Purity, Iraq, 1min for The Big Green Week, Muslim Charities Forum
- Mulla Nasruddin Exploits x2 for Cheltenham Literature Festival, 25mins
- Aboriginal Dream Creation Myth, a tale from Australia, 7mins, for Building Life-Flourishing Communities, Grassroots and Council for World Mission
- The Tailor's Needle, a Uyghur Tale, 15mins for Oxford University Islamic Society
- The Good Lie, a tale by Sa'adi of Iran, 5mins
- Conference of the Birds, poetry reading for Eurasia Symphony Orchestra, 20mins
- The Tree of Justice, a tale by Jalaluddin Rumi of Turkey, 15mins for Sufi Festival, Glasgow
- The Rainmaker, a tale from the Swahili, 15mins for Sufi Festival, Glasgow
- The Ropemaker, a tale from Iraq from the 1001 Nights, 18mins for Eid Stories at Norton Rose Fulbright
- Suleyman and the Ants, 7mins for the Learning Tree, Cambridge
- The Caliph and the Baker, a tale from Iraq, 17mins for Ramadan Tales at Cambridge Central Mosque
- The Suitors' Contest, a tale by Fariduddin Attar, 15mins for Sadiq Party, Luton

Total of 180mins or 3hrs of new offerings

Drama and Storytelling Training Workshops

- Storytelling in Education, Workshop for Teachers, 1hr for Al-Bayyinah Supplementary School, St Albans
- Ramadan Workshops for Kids Corner at Cambridge Central Mosque, 2hrs
- Swahili Stories workshops x5 for young people at Bilal Education, 10hrs
- We Tell Beautiful Stories, Workshop for Imams and Muslim Community leaders, 3hrs for Mosaic Leadership Programme, The Prince's Trust and Randeree Charitable Trust
- Drama and Storytelling Workshops x9 for Learning Tree Cambridge, 27hours

Total of 43hrs of new offerings

Developments in the Wider Work of Khayaal 2021-2022

- Eleanor Martin, our Associate Director advanced the cultural and artistic advocacy of Khayaal by giving a presentation at the University of Cambridge's Faculty of Education as part of a 3-day workshop on Muslim Women in Education through 24-26th September 2021.
- Luqman Ali, our Artistic Director and CEO, continued to serve as an Advisor/Trustee Director at Amal (www.amal.org.uk). He initially served as the founding convening advisor of the organisation in 2016 and became a Trustee Director in 2020.
- We continued to support students and academics in undergraduate and postgraduate education at academic institutions with their research on Islam and Muslim-related theatre, drama, literature, art and culture including students and faculty at Warwick University, City University, Tufts University USA, University of Manchester, University of Exeter and University of Oxford.
- We continued to leverage our expertise, experience and accrued cultural capital to provide development support and consultancy to both emerging and experienced Muslim artists and arts organisations e.g. Mimar, Birmingham and Alchemy Arts, Manchester.
- We commissioned the acclaimed sculptor and geometer, Adam Williamson, to design and hand carve a custom folding backdrop screen from English oak combining Islamic architectural design features from Andalusia and Rajasthan to serve as the centrepiece of our Theatre-without-Walls touring set.
- We launched a monthly 3-session drama and storytelling academy for 35 children aged 3-15 in Cambridge in partnership with the Learning Tree in September 2021.
- Our work attracted press and media coverage from Islam Channel, Luton Town, Herts Advertiser, This Is Local London and The Alchemiya Journal.
- We continued to provide publicity support to Islam-Muslim related theatre productions including Rumi, The Musical, London Coliseum; Makrooh, Soho Theatre; Mohand and Peter, Southwark Playhouse; and Where Two Oceans Meet, Birmingham.

- We continued to advocate for justice and equity in the UK cultural sector for BAME audiences, artists, cultural practitioners and cultural producers in relation to socio-cultural opportunities, recognition, access to public space, funding and representation. Interlocutors on these issues included Arts Council England, Esmeé Fairbairn Foundation, Paul Hamlyn Foundation, National Lottery Heritage Fund and Amal. Despite public acknowledgements of structural injustice and inequity in the sector and the formulation of new funding policies to address these issues on the part of funders and development agencies in the wake of George Floyd, Windrush and the disproportionate impact of Covid on minority communities, we continued to experience exclusion and a lack of understanding of the society-wide inequalities and disparities that stifle the aspirations of minority cultural actors. These include but are not limited to unjustifiably high thresholds and inflated expectations on the part of funders when it comes to scale of operation, impact and turnover that can only be based on the erroneous assumption that minority cultural producers benefit from equal access to resources and opportunities and a level playing field. By evidencing the wide socio-economic and socio-cultural disparities that disadvantage BAME communities when it comes to average household wealth, employment prospects, physical and mental health outcomes, acceptance and belonging and multiple deprivation, we endeavoured to convince our interlocutors that real equity means calibrating threshold and expectation criteria for support to the realities of the lived experience of minorities in the round. For example, when the average household wealth of a white British family (£314K) is ninefold that of a black African family (£34K), it is manifestly clear that the socio-economic barriers to socio-cultural inclusion and stake-holding where the arts are concerned are in no way comparable.

Monitoring & Evaluation

Company

- Overall evaluation and risk analysis of the company's activities over the year using internal measurements and indicators and assessment of the satisfaction of staff, volunteers, partners and beneficiaries resulted in the following key findings:
- High levels of satisfaction with Khayaal's products and services both quantitatively and qualitatively relative to human, material and financial resources at our disposal.
- Continuous up-skilling and professional development critical to improving quality and generating innovation and creativity.
- More stable and longer-term financial investment critical to growth and realisation of potential.
- Challenges presented by impact of pandemic and cost-of-living crisis will need to be met with creative and entrepreneurial ingenuity and a highly adaptive business model.

- Our ongoing evaluation of audiences' and partners' responses to our original adaptations of humanitarian values tales and stories from Muslim and multifaith literature led to the following key findings:
- Muslim audiences respond to our work with an increase feeling of belonging, pride and heightened aspiration, all of which contribute to greater awareness of and confidence in the inclusive resources within their cultural traditions that encourage integration and foster contributory citizenship within wider society.
- Audiences from other traditions, both faith and secular, respond to our work with high levels of appreciation and gratitude for the opportunity to experience the aesthetics, wisdom, humour and humanity of Muslim cultures in performance made accessible by our work.
- Both audiences express high levels of commendation and appreciation for the opportunity for intercultural dialogue, engagement and understanding within one of Britain's most important socio-cultural institutions and art forms.

FINANCIAL REVIEW

During the year under review the charity received unrestricted income of £158,422 (2021: £147,106) and restricted income of £18,333 (2021: £16,666) and had an expenditure of £126,592 (2021: £139,736) and £10,029 (2021: £16,235) for unrestricted and restricted respectively. At the Balance Sheet date the charity held unrestricted funds of £91,001 (2021: £59,170) and restricted funds of £8,736 (2021: £431) .

The Trustee Directors have established a reserves policy that holds that unrestricted funds equivalent to a minimum of 12 weeks of the last complete financial year's turnover be held by the theatre company to cover current liabilities, commitments and activities/operations for three calendar months. For the current year, this equates to £29,214.

The purpose of this policy is to ensure that Khayaal TC is able to act in the interests of its charitable purposes and its beneficiaries, as well as protecting and safeguarding its assets and ensuring that due diligence is taken in complying with current legislation and good practice guidance.

The trustees have given due consideration to the ability of the Charity to continue as a going concern. Due to the continued support the charity receives from its donors and the public, the trustees are satisfied that the going concern basis remains appropriate in preparing these financial statements. Furthermore, the charity believes that the level of unrestricted funds held remains sufficient to support the activities of the charity in the foreseeable future.

Financial and risk management objectives and policies

Risk mitigation has been central to the organisational management processes that have ensured that we have alternately survived and flourished for over two decades. We manage and mitigate risk by maintaining a high level of industry awareness and forecasting. This is achieved by monitoring developments in our sector and related sectors in the media and public forums. We also review our organisational SWOT analysis on a regular basis taking into consideration market trends here and abroad affording us continuous tracking across analysis factors. Where financial risk is concerned, we have primarily employed the combined strengths of scalability, commitment, ingenuity and passion in order to adapt to changing circumstances and transform challenges into opportunities. Our core staff and board of directors share responsibility for risk mitigation.

Principal funding source

Over the year 2021-22, our funding came from a mix of sources as follows:

- Grants 75% (Amal, Bedfordshire and Luton Charitable Foundation, DCMS/Arts Council of England, Garfield Weston Foundation, HMRC JRS, National Lottery Community Fund and Safera Foundation)
- Donations & Gift Aid 10% (9% in 20-21)
- Income from sales and services 15% (6.5% in 20-21 due to impact of pandemic / 34% in 18-19)
- Restricted Fund Grants: (1) Amal for Theatre-without-Walls project (2) Bedfordshire and Luton Community Foundation's Community Recovery Fund for Khayaal 25 Luton project.
- In-Kind support and resources in terms of underpaid core staff time relative to multidisciplinary expertise and experience, volunteer time, host partners' contributions of performance spaces, digital channels, staff time, publicity, etc. have been quantified and valued monetarily as equivalent to at least 50% of cash turnover at £88K

PLANS FOR FUTURE PERIODS

Future plans for 2022-2023

- We will continue laying the foundations for continuous drama academy provision integrating drama, character virtues and Muslim literature beginning with monthly drama academies for mainly but not solely Muslim children aged 5-15 in Cambridge, Luton and NW London. Once we have established the monthly provision, we will then work to expand to fortnightly and later weekly provision. The Cambridge academy has been up and running for 18 months and the Luton academy for 6 months to date, so this work is well underway.
- Delivering 50-60 physical Theatre-without-Walls performance events nationally with multi-sector partners.
- Leveraging our accrued cultural capital and longstanding, privileged partnerships with BAME/Muslim communities in order to increase our grant funding from public and private funders including trusts/foundations.
- Redeveloping our website and refreshing and enriching our branding across our social media channels.
- Continue work on our 3-year (2021-2024) funded PhD project on British Muslim Engagement with Theatre in partnership with Manchester Metropolitan University, the Arts and Humanities Research Council and North West Consortium Doctoral Training Partnership. The project will be delivered by our successful applicant doctoral student Serena Slack-Robins who returns to Khayaal after working with us 23 years ago on our debut production, Conference of the Birds.
- We will work with emerging partner ETHOX, Oxford University to develop a proposal and fundraise for an applied theatre project to explore attitudes to death and dying in British Muslim communities with a focus on the relationships between these communities and providers of palliative end-of-life care.

- We will work with existing partner, Alchemy Arts, to deliver the theatre strand of the inaugural Muslim Artists Academy in Manchester comprising 6 weekly workshops for Muslims wishing to develop skills in drama and theatre. The project is supported by Arts Council England.
- We will work with new partner, Birmingham Repertory Theatre, to develop a long-term working relationship in order to serve the socio-cultural and arts education needs of the largest Muslim community in the UK.
- We will work to re-track our developing partnership with new partner, The Little Angel in Islington, with a view to co-producing a children's theatre adaptation of our award-winning 'Riding a Donkey Backwards' book. This work began in 2018-19 but was put into suspended animation by the pandemic.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

F. Qureshi

Trustee

17 March 2023

Independent Examiner's Report to the trustees of The Khayaal Theatre Company

I report to the charity trustees on my examination of the financial statements of The Khayaal Theatre Company for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 financial statements 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

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (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 financial statements to be reached.

Sajjad Tejani
FCCA
Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF
17 March 2023

The Khayaal Theatre Company
Statement of Financial Activities
for the year ended 31 July 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
	Notes				
Income and endowments from:					
Donations and legacies	4	36,932	-	36,932	25,757
Charitable activities	5	111,250	18,333	129,583	138,015
Investments	6	31	-	31	-
Other	7	10,209	-	10,209	-
Total		158,422	18,333	176,755	163,772
Expenditure on:					
Other	8	126,592	10,029	136,620	155,971
Total		126,592	10,029	136,620	155,971
Net gains on investments		-	-	-	-
Net income	9	31,831	8,305	40,135	7,801
Transfers between funds		-	-	-	-
Net income before other gains/(losses)		31,831	8,305	40,135	7,801
Other gains and losses					
Net movement in funds		31,831	8,305	40,135	7,801
Reconciliation of funds:					
Total funds brought forward		59,170	431	59,601	51,800
Total funds carried forward		91,001	8,736	99,736	59,601

The Khayaal Theatre Company
Summary Income and Expenditure Account
for the year ended 31 July 2022

	2022 £	2021 £
Income	176,724	163,772
Interest and investment income	31	-
Gross income for the year	<u>176,755</u>	<u>163,772</u>
Expenditure	133,458	153,209
Depreciation and charges for impairment of fixed assets	3,162	2,762
Total expenditure for the year	<u>136,620</u>	<u>155,971</u>
Net income before tax for the year	<u>40,135</u>	<u>7,801</u>
Net income for the year	<u><u>40,135</u></u>	<u><u>7,801</u></u>

The Khayaal Theatre Company

Balance Sheet

at 31 July 2022

Company No. 03597083	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	11	10,244	11,647
		<u>10,244</u>	<u>11,647</u>
Current assets			
Cash at bank and in hand		92,578	49,985
		<u>92,578</u>	<u>49,985</u>
Creditors: Amount falling due within one year	12	(3,086)	(2,031)
Net current assets		<u>89,492</u>	<u>47,954</u>
Total assets less current liabilities		<u>99,736</u>	<u>59,601</u>
Net assets excluding pension asset or liability		<u>99,736</u>	<u>59,601</u>
Total net assets		<u><u>99,736</u></u>	<u><u>59,601</u></u>
The funds of the charity			
Restricted funds	13		
Restricted income funds		8,736	431
		<u>8,736</u>	<u>431</u>
Unrestricted funds	13		
General funds		91,001	59,170
		<u>91,001</u>	<u>59,170</u>
Reserves	13		
Total funds		<u><u>99,736</u></u>	<u><u>59,601</u></u>

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

For the year ended 31 July 2022 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 17 March 2023

And signed on its behalf by:

F. Qureshi

Trustee

17 March 2023

The Khayaal Theatre Company
Statement of Cash flows
for the year ended 31 July 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	40,135	7,801
Adjustments for:		
Depreciation of property, plant and equipment	3,162	2,762
Dividends, interest and rents from investments	(10,240)	-
Other gains/losses	-	-
Increase/(Decrease) in trade and other payables	1,055	(3,969)
Net cash provided by operating activities	<u>34,112</u>	<u>6,594</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(1,759)	(13,744)
Dividends, interest and rents from investments	10,240	-
Net cash from/(used in) investing activities	<u>8,481</u>	<u>(13,744)</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	42,593	(7,150)
Cash and cash equivalents at the beginning of the year	49,985	57,135
Cash and cash equivalents at the end of the year	<u>92,578</u>	<u>49,985</u>
Components of cash and cash equivalents		
Cash and bank balances	92,578	49,985
	<u>92,578</u>	<u>49,985</u>

1 Accounting policies

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
-----------------------	---

Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
---------------------------------	--

Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
------------------------	--

Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
-------------------------------------	---

Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
---------------------------------	--

Volunteer help	The value of any volunteer help received is not included in the accounts.
----------------	---

Investment income	This is included in the accounts when receivable.
-------------------	---

Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
---	---

Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
-------------------------------------	--

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant & Machinery	25% Reducing balance
Motor Vehicle	25% Reducing balance

Trade and other 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Income and endowments from:			
Donations and legacies	25,757	-	25,757
Charitable activities	121,349	16,666	138,015
Total	147,106	16,666	163,772
Expenditure on:			
Other	139,736	16,235	155,971
Total	139,736	16,235	155,971
Net income	7,370	431	7,801
Net income before other gains/(losses)	7,370	431	7,801
Other gains and losses:			
Net movement in funds	7,370	431	7,801
Reconciliation of funds:			
Total funds brought forward	51,800	-	51,800
Total funds carried forward	59,170	431	59,601

4 Income from donations and legacies

	Unrestricted	Total 2022	Total 2021
	£	£	£
Donations	8,244	8,244	13,227
Fees receivable	26,563	26,563	10,790
Friends' subscriptions	2,125	2,125	1,740
	<u>36,932</u>	<u>36,932</u>	<u>25,757</u>

5 Income from charitable activities

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Grants	111,250	18,333	129,583	138,015
	<u>111,250</u>	<u>18,333</u>	<u>129,583</u>	<u>138,015</u>

6 Income from investments

	Unrestricted	Total 2022	Total 2021
	£	£	£
Interest income	31	31	-
	<u>31</u>	<u>31</u>	<u>-</u>

7 Other income

	Unrestricted	Total 2022	Total 2021
	£	£	£
Gift Aid	7,760	7,760	-
JRS Grant	2,449	2,449	-
	<u>10,209</u>	<u>10,209</u>	<u>-</u>

8 Other expenditure

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Employee costs	40,544	3,457	44,000	40,571
Motor and travel costs	16,416	656	17,072	7,659
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	3,054	108	3,162	2,762
General administrative costs	45,668	3,855	49,523	63,387
Legal and professional costs	20,910	1,953	22,863	41,592
	<u>126,592</u>	<u>10,029</u>	<u>136,620</u>	<u>155,971</u>

9 Net income before transfers

	2022	2021
This is stated after charging:	£	£
Depreciation of owned fixed assets	3,162	2,762
Independent Examiner's fee	1,322	1,050

10 Staff costs

	2022	2021
Salaries and wages	43,942	40,455
	<u>43,942</u>	<u>40,455</u>

No employee received emoluments in excess of £60,000.

The average monthly number of employees during the year was as follows:

	2022 Number	2021 Number
Administration and production	5	4
	<u>5</u>	<u>4</u>

11 Tangible fixed assets

	Plant & Machinery	Motor Vehicle	Total
	£	£	£
Cost or revaluation			
At 1 August 2021	15,070	18,716	33,786
Additions	1,759	-	1,759
At 31 July 2022	<u>16,829</u>	<u>18,716</u>	<u>35,545</u>
Depreciation and impairment			
At 1 August 2021	3,913	18,226	22,139
Depreciation charge for the year	2,998	164	3,162
At 31 July 2022	<u>6,911</u>	<u>18,390</u>	<u>25,301</u>
Net book values			
At 31 July 2022	<u>9,918</u>	<u>326</u>	<u>10,244</u>
At 31 July 2021	<u>11,157</u>	<u>490</u>	<u>11,647</u>

12 Creditors:

amounts falling due within one year

	2022	2021
	£	£
Other creditors	3,086	2,031
	<u>3,086</u>	<u>2,031</u>

13 Movement in funds

	At 1 August 2021	Incoming resources (including other gains/losses) £	Resources expended £	At 31 July 2022 £
Restricted funds:				
Restricted income funds:				
Amal - Said Foundation	431	18,333	(10,029)	8,736
<i>Total</i>	<u>431</u>	<u>18,333</u>	<u>(10,029)</u>	<u>8,736</u>
Unrestricted funds:				
General funds	59,170	158,422	(126,592)	91,001
Total funds	<u><u>59,601</u></u>	<u><u>176,755</u></u>	<u><u>(136,620)</u></u>	<u><u>99,736</u></u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Amal - Said Foundation

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	9,922	322	10,244
Net current assets	89,492	-	89,492
	<u><u>99,414</u></u>	<u><u>322</u></u>	<u><u>99,736</u></u>

15 Reconciliation of net debt

	At 1 August 2021 £	Cash flows £	At 31 July 2022 £
Cash and cash equivalents	49,985	42,593	92,578
	<u>49,985</u>	<u>42,593</u>	<u>92,578</u>
Net debt	<u><u>49,985</u></u>	<u><u>42,593</u></u>	<u><u>92,578</u></u>

16 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

The Khayaal Theatre Company
Detailed Statement of Financial Activities
for the year ended 31 July 2022

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2022	2022	2022	2021
	£	£	£	£
Income and endowments from:				
Donations and legacies				
Donations	8,244	-	8,244	13,227
Fees receivable	26,563	-	26,563	10,790
Friends' subscriptions	2,125	-	2,125	1,740
	<u>36,932</u>	<u>-</u>	<u>36,932</u>	<u>25,757</u>
Charitable activities				
Grants	111,250	18,333	129,583	138,015
	<u>111,250</u>	<u>18,333</u>	<u>129,583</u>	<u>138,015</u>
Investments				
Interest income	31	-	31	-
	<u>31</u>	<u>-</u>	<u>31</u>	<u>-</u>
Other				
Gift Aid	7,760	-	7,760	-
JRS Grant	2,449	-	2,449	-
	<u>10,209</u>	<u>-</u>	<u>10,209</u>	<u>-</u>
Total income and endowments	158,422	18,333	176,755	163,772
Expenditure on:				
Employee costs				
Salaries/wages	40,544	3,399	43,942	40,455
Staff training	-	58	58	116
	<u>40,544</u>	<u>3,457</u>	<u>44,000</u>	<u>40,571</u>
Motor and travel costs				
Travel and subsistence	16,416	656	17,072	7,659
	<u>16,416</u>	<u>656</u>	<u>17,072</u>	<u>7,659</u>
General administrative costs, including depreciation and amortisation				
Depreciation of Plant & Machinery	2,890	108	2,998	2,598
Depreciation of Motor Vehicle	164	-	164	164
Equipment expensed	950	116	1,066	9,036
Equipment leasing and hire charges	1,795	1,428	3,223	1,388
General insurances	1,579	155	1,733	2,149
Information and publications	1,477	121	1,597	1,877
Stationery and printing	4,641	-	4,641	9,538
Subscriptions	279	-	279	884
Sundry expenses	1,077	232	1,308	1,765
Telephone, fax and broadband	1,055	68	1,122	1,915
Venue hire	32,817	1,737	34,554	34,835

The Khayaal Theatre Company
Detailed Statement of Financial Activities

	48,722	3,963	52,685	66,149
Legal and professional costs				
Audit/Independent examination fees	1,322	58	1,380	1,050
Consultancy fees	12,570	1,895	14,465	40,442
Other legal and professional costs	7,018	-	7,018	100
	20,910	1,953	22,863	41,592
Total of expenditure of other costs	126,592	10,029	136,620	155,971
Total expenditure	126,592	10,029	136,620	155,971
Net gains on investments	-	-	-	-
Net income	31,831	8,305	40,135	7,801
Net income before other gains/(losses)	31,831	8,305	40,135	7,801
Other Gains	-	-	-	-
Net movement in funds	31,831	8,305	40,135	7,801
Reconciliation of funds:				
Total funds brought forward	59,170	431	59,601	51,800
Total funds carried forward	91,001	8,736	99,736	59,601

THE KHAYAAL THEATRE COMPANY

England & Wales - Charity number 1100005

Accounts

The Khayaal Theatre Company

Charity No. 1100005

Company No. 03597083

Trustees' Report and Unaudited Accounts

31 July 2021

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The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 July 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 03597083

Charity No. 1100005

Registered Office

42 Alexandra Avenue
PO Box 2523
Luton
LU3 9BN

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

R. Mughal
S.H.H. Naqvi
F. Qureshi
G. Virani

Company Secretary

L.A. Ali

Accountants

Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF

OBJECTIVES AND ACTIVITIES

The objects for which the company is established are to promote, maintain, improve and advance public education particularly through the research, development, production and performance of drama and theatre inspired by and adapted from Muslim literature and the wisdom literature of other faith traditions.

The company's activities typically include touring stage performances (Theatre-without-Walls), running drama workshops, devising and running theatre-in-education programmes, publishing children's books, training, advocacy and consultancy.

ACHIEVEMENTS AND PERFORMANCE FOR 2020-2021

Due to the ongoing coronavirus pandemic and related restrictions, we continued to deliver the vast majority of our work online either through hosted virtual events using Zoom or through the streaming of existing and new digital content on our social media channels/platforms (YouTube, Facebook, Instagram, Linked-In and Twitter) and our Amazon Add-on partner, Alchemiya. We were fortunate to have had success in securing grant support from the first and second rounds of the DCMS/Arts Council England' Cultural Recovery Fund in order to sustain our work through this most challenging time.

"I am sure the honourable lady will be aware of the many, many organisations and individuals working in Luton that have benefitted from that emergency funding, for example the brilliant Khayaal Theatre Company who as she knows are a multi-award winning theatre and drama education company ..." – Caroline Dineneage, Minister of State for Digital and Culture applauded Khayaal by name in parliament on 22nd Sep '20 as part of an adjournment debate on arts and culture in Luton sponsored by Luton MP Rachel Hopkins.

Over the period August-December 2020, we delivered 11 online events comprising 12 performances/workshops and 9 offerings benefitting national and international audiences numbering 4000 mostly with new partners across four sectors (faith/interfaith, education, culture and commercial). The highlight of this period was our tremendously successful new performance storytelling offering, Muslim Nativity, commissioned by the Compass Network at Norton Rose Fulbright to console and inspire hope in its staff, partners, clients and friends through the Christmas and New Year holiday season in quarantine. Other partners over this five-month period included The Reading Agency UK; University of Sheffield's Festival of the Mind; BPP University; Creation Theatre, Oxford; Muslim Cultural Heritage Centre, London and Birchfield Independent Girls School, Birmingham. Offerings included Riding a Donkey Backwards, Rumi Tales, 1001 Stories, Conference of the Birds and Muslim Heritage Stories.

"Atheist household here (raised Muslim and Christian) - very much enjoyed this and value the perspective. Nice to get multiple perspectives for our child." – Atheist on Muslim Nativity

It's a great production and she is a wonderful storyteller! It takes a real gift to keep attention with only your person and your voice. I think we could learn something of telling the story contextually from this. It was brilliant how it wove contemporary themes (and Christmas music) into the story ("Chestnuts roasting on an altar fire..."); poverty, injustice. And the haunting use of the melody of "O Come O Come Emmanuel, but contextually changed to an Islamic theme." – Christian on Muslim Nativity

"A belated thank you for streaming the nativity again. I watched a few times over the short time it was streaming - captivated by the performance, ambience, and the learning from the prophetic story itself." – Muslim on Muslim Nativity

We began 2021 anticipating an imminent return to physical touring of our on-demand Theatre-without-Walls (TwW) performance and workshop offerings in view of the sustained demand that we continued to receive from new and existing partners seeking to reconnect their communities. However, it was not until the end of March, a full year after the pandemic compelled us to migrate online that we were able to serve physical audiences. Thereafter, we were only able to intermittently tour TwW offerings to our national network of partners as and when government restrictions permitted us to do so. When this was not possible, we continued digital/virtual delivery especially through our peak Ramadan and Eid season when tens of thousands of people joined us on YouTube for new film adaptations of thematic collections of Muslim heritage stories that dovetailed with the 3 ten-day periods of Ramadan: Mercy, Forgiveness and Deliverance.

Preceding our YouTube channel storytelling offerings for Ramadan and Eid (Apr-May 21), we started the year shooting our long-awaited TwW special offering of the pandemic which we premiered on 28th February. Edhi Means Love proved a huge success with global audiences. The 40min film tells the story of the peerless Pakistani humanitarian of his time, Abdul Sattar Edhi, blending together theatre and film syntaxes in a compelling way that epitomised the creativity and ingenuity that characterised so much of the British cultural sector through the pandemic.

Over 1K people joined us online for the premier screening of Edhi Means Love and the overwhelming response was gratitude and acclaim for this first ever professional film production on the life and mission of the communitarian visionary who created a national welfare service for Pakistan from scratch. In subsequent monthly screenings between Feb-Aug, many hundreds more people joined us to reflect on and draw inspiration from this exemplar of the humanitarian values that people all over the world came to cherish and exemplify through the pandemic. Edhi Means Love was covered by BBC Asian Network, BBC 3 Counties, ARY Digital, The Daily Jang, Islam Channel and many local radio community stations across the country.

"My pleasure. Your virtual productions have been one of the highlights of this unusual year. My son loves them..." – Anthony Riccio on Edhi Means Love

"Thank you, Lugman Ali and team, for producing such an inspirational online event this evening with the Khayaal Theatre Company. I am feeling truly inspired now I know the story of Edhi and the beginning of the Edhi Foundation. A definite plus to track and trace self-isolation this week - much more interesting than my normal Thursday swimming lesson! #thankyou #humanitarian #edhimeanslove #ambulanceservice #charity #lovethis #loveforall #edhi" – Laura Marinello

"...I've just finished watching the film. It was as compelling as it was gripping. It has the force to move strong people to tears. ... For now can only say that you have made a major contribution towards civil society by making this film." – Ranjit Sondhi CBE on Edhi Means Love

"The film is beautiful. .. Faroque is brilliant!" – Shahidul Alam on Edhi Means Love

We were fortunate to attract new host partners, both national and international, for co-hosted online events comprising performances and/or workshops through the March-July 21 period. These included Sinclética Monastic School, Spain; Denbigh School, Milton Keynes; Old Catton CoE School, Norfolk; and Newham World Festival, London; Edhi Foundation UK and Luton Foodbank. The offerings shared with these partners included Edhi Means Love, Muslim Nativity and House of Wisdom in the Golden Age of Islam for Key Stage 2 pupils.

2020-2021 Facts & Figures

Physical Output

Physical Performances & Workshops: 8 Multi-Sector Host Partners: 2 Local Authorities Reached: 2 Live Audiences/Beneficiaries: 220

Sectors: Education

Digital Output

(1)

Hosted Online Performances: 21

Multi-Sector Host Partners: 12

Countries Reached: UK, USA, South Africa, Canada, Pakistan, Spain and beyond

Digital Audiences/Beneficiaries: 5,500

Sectors: Faith/Interfaith, Community, Culture, Education, Academia, Charity and Commercial

(2)

Digital Content Offerings (Films and Audio): 14

Channels/Platforms: Facebook, Instagram, YouTube, Vimeo, Linked-In, Soundcloud, Alchemiya, Islam Channel, BBC Asian Network

Digital Audiences/Beneficiaries: 200K minimum

Project offerings in order of quantity delivered:

- Muslim Heritage Stories from Afghanistan, Iraq, Palestine, China, Pakistan, Iran, India, Tunisia, Bangladesh, Yemen, Mali, Nigeria, Syria, Somalia, Tanzania, Sierra Leone, Turkey, Syria, Uzbekistan, Andalucia, etc. 80%
- Other: Adventures in Sustainable Play, House of Wisdom in the Golden Age of Islam, Muslim Nativity, Edhi Means Love, Riding a Backwards and Conference of the Birds 20%

New performances and workshops researched, developed, produced and presented:

- Adventures in Sustainable Workshop Play Pack for University of Sheffield, Festival of the Mind, 15mins
- Life and Death at the Well, A Hausa Tale film, 6mins
- 1001 Nights and other Stories for BPP University Freshers Event via Zoom – 07 Oct consisting of The Doctor's Helper (Iraq), 25mins and Abu Jasim's Boots (Iraq), 20mins
- Conference of the Birds Drama Workshop for Creation Theatre via Zoom 09-14 Nov, Oxford, 60mins
- Jesus Christ: Muslim Nativity for Norton Rose Fulbright, 25 Dec, 42mins
- Sweet Exhale, a 10-min poem by Sukina Pilgrim for Khayaal's Muslim Nativity events
- Edhi Means Love with Edhi Foundation UK, Feb 2021, 40mins
- Ramadan Tales performance storytelling for film, 3 May 2021, 100mins
- Eid Stories performance storytelling for film, 13 May 2021, 27mins
- The Root of Treasure by Rumi 12 mins
- The Merciful Encounter by Rumi 12 mins
- The Courageous Daughter from the Uighur people of China 30mins

Total of 399mins or 6.6hrs of new offerings

Developments in the Wider Work of Khayaal 2020-2021

- Muslim heritage stories performance extract aired on British Muslim TV (via Sufi Festivals, Glasgow) 8-9 Aug 2020
- Muslim heritage stories performance extract aired on Islam Channel (via Young Muslim Writers Awards) 12 Aug 2020
- We worked in partnership with English Touring Opera on a new opera film and education pack exploring the story of how Ibn Al-Haytham discovered how we see for Key Stage 2 pupils in schools across the country in October-November 2020. The production has now toured to over 100 schools.
- UK Law Firm Celebrates Jesus in Islam
<https://aboutislam.net/muslim-issues/europe/uk-law-firm-celebrates-jesus-in-islam/>

- Muslim Nativity and Edhi Means Love raised over £2K in for charity partners Edhi Foundation and Luton Foodbank
- This year an exchange in parliament demonstrated the way in which discrimination and exclusion work. As part of an adjournment debate that she sponsored on 22nd September, Luton MP Rachel Hopkins while advocating for a particular non-BAME Luton-based arts organization erroneously asserted that the only Luton arts organization eligible to apply to the DCMS's Cultural Recovery Fund was the one she was referencing. In doing so, she discriminated against and excluded by omission Khayaal, which is the oldest professional theatre company in Luton. In our experience, this type of exclusion usually passes without correction or challenge, hence the disadvantage and deprivation we've long endured. Fortunately for us on this occasion, however, party politics worked in our favour as the Conservative Culture Secretary had done her homework and left our local Luton MP on the back foot by countering that there were other arts organisations that were eligible to apply and proceeded to applaud Khayaal and list it among local Luton arts organisations that were supported by the Arts Council's initial Covid-19 emergency fund.
- We continued to advocate for justice and equity in the UK cultural sector for BAME audiences, artists, cultural practitioners and cultural producers in relation to socio-cultural opportunities, recognition, access to public space, funding and representation. Interlocutors on these issues included Arts Council England, Esmée Fairbairn Foundation, Paul Hamlyn Foundation and Amal. Despite public acknowledgements of structural injustice and inequity in the sector and the formulation of new funding policies to address these issues on the part of funders and development agencies in the wake of George Floyd, Windrush and the disproportionate impact of Covid on minority communities, we continued to experience exclusion and a lack of understanding of the society-wide inequalities and disparities that stifle the aspirations of minority cultural actors. These include but are not limited to unjustifiably high thresholds and inflated expectations on the part of funders when it comes to scale of operation, impact and turnover that can only be based on the erroneous assumption that minority cultural producers benefit from equal access to resources and opportunities and a level playing field. By evidencing the wide socio-economic and socio-cultural disparities that disadvantage BAME communities when it comes to average household wealth, employment prospects, physical and mental health outcomes, acceptance and belonging and multiple deprivation, we endeavoured to convince our interlocutors that real equity means calibrating threshold and expectation criteria for support to the realities of the lived experience of minorities in the round. For example, when the average household wealth of a white British family (£314K) is ninefold that of a black African family (£34K), it is manifestly clear that the socio-economic barriers to socio-cultural inclusion and stake-holding where the arts are concerned are in no way comparable.

FINANCIAL REVIEW

During the year under review the charity received unrestricted income of £147,106 (2020: £103,004) and restricted income of £16,666 (2020: £16,667) and had an expenditure of £61,083 (2020: £72,001) and £16,667 (2020: £16,667) for unrestricted and restricted respectively. At the Balance Sheet date the charity held unrestricted funds of £59,601 (2020: £51,800).

Reserves policy

The Trustee Directors have established a reserves policy that holds that unrestricted funds equivalent to a minimum of 12 weeks of the last complete financial year's turnover be held by the theatre company to cover current liabilities, commitments and activities/operations for four calendar months. This equates to £23,770.

The purpose of this policy is to ensure that Khayaal TC is able to act in the interests of its charitable purposes and its beneficiaries, as well as protecting and safeguarding its assets and ensuring that due diligence is taken in complying with current legislation and good practice guidance.

The trustees have given due consideration to the ability of the Charity to continue as a going concern. Due to the continued support the charity receives from its donors and the public, the trustees are satisfied that the going concern basis remains appropriate in preparing these financial statements. Furthermore, the charity believes that the level of unrestricted funds held remains sufficient to support the activities of the charity in the foreseeable future.

Going concern

The trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The trustees regard the foreseeable future as no less than twelve months following the publication of the Charity's annual financial statements. The trustees have considered the Charity's balance sheet position and reserves as at the year end, the future plans for the Charity and the impact of the current Covid-19 crisis, taking account of reasonable possible changes in the income of the Charity and are satisfied that the Charity has sufficient resources to remain in operational existence. Accordingly, they have adopted going concern basis in preparing these financial statements.

Financial and risk management objectives and policies

Risk mitigation has been central to the organisational management processes that have ensured that we have alternately survived and flourished for over two decades. We manage and mitigate risk by maintaining a high level of industry awareness and forecasting. This is achieved by monitoring developments in our sector and related sectors in the media and public forums. We also review our organisational SWOT analysis on a regular basis taking into consideration market trends here and abroad affording us continuous tracking across analysis factors. Where financial risk is concerned, we have primarily employed the combined strengths of scalability, commitment, ingenuity and passion in order to adapt to changing circumstances and transform challenges into opportunities. Our core staff and board of directors share responsibility for risk mitigation.

Principal funding source

Over the year 2020-21, our funding came from a mix of sources as follows:

- Grants 84% (Amal, Aziz Foundation, DCMS/Arts Council of England, HMRC JRS)
- Donations & Gift Aid 9%
- Income from sales and services 6.5% (heavily impacted by Covid-19 / 16% in '19-20)
- In-Kind support and resources in terms of underpaid core staff time relative to multidisciplinary expertise and experience, volunteer time, host partners' contributions of performance spaces, digital channels, staff time, publicity, etc. have been quantified and valued monetarily as equivalent to at least 50% of cash turnover at £80K

PLANS FOR FUTURE PERIODS

- We will work to recover from the pandemic and resume our physical fulfilment of national demand for our Theatre-without-Walls performance and workshop offerings serving mostly disadvantaged and socio-culturally neglected or underserved minority audiences while also retaining and servicing our global digital/online audiences with seasonal film and audio productions. We aim to remodel our socio-cultural enterprise model after the pandemic to incorporate symbiotic physical and digital service lines for wider reach, deeper impact and legacy.

- We will lay the foundations for continuous drama academy provision integrating drama, character virtues and Muslim literature beginning with monthly drama academies for mainly but not solely Muslim children aged 5-15 in Cambridge, Luton and NW London. Once we have established the monthly provision, we will then work to expand to fortnightly and later weekly provision. The Cambridge academy has been up and running for 6 months to date, so this work is well underway.
- Delivering 25-30 physical Theatre-without-Walls performance events nationally with multi-sector partners.
- Leveraging our accrued cultural capital and longstanding, privileged partnerships with BAME/Muslim communities in order to increase our grant funding from public and private funders including trusts/foundations. This will include preparing and submitting an application to Arts Council England to join the National Portfolio of Arts Organisations through 2023-2026.
- Celebrating our 25th anniversary with celebratory events in locally in Luton and nationally in London.
- Redeveloping our website and refreshing and enriching our branding across our social media channels.
- We will initiate work on our 3-year funded PhD project on British Muslim Engagement with Theatre in partnership with Manchester Metropolitan University, the Arts and Humanities Research Council and North West Consortium Doctoral Training Partnership. The project will be delivered by our successful applicant doctoral student Serena Slack-Robins who returns to Khayaal after working with us 23 years ago on our debut production, Conference of the Birds.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

F. Qureshi
Trustee
21 February 2022

Independent Examiner's Report to the trustees of The Khayaal Theatre Company

I report to the charity trustees on my examination of the accounts of The Khayaal Theatre Company for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes.

Responsibilities and basis of report

As the trustees of the charity (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 charity 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

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

- accounting records were not kept in accordance with 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 under 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 Charities SORP (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.

Sajjad Tejani
FCCA
Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF
21 February 2022

The Khayaal Theatre Company
Statement of Financial Activities
for the year ended 31 July 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:					
Donations and legacies	4	25,757	-	25,757	52,267
Charitable activities	5	121,349	16,666	138,015	64,102
Other	6	-	-	-	3,302
Total		147,106	16,666	163,772	119,671
Expenditure on:					
Other	7	139,736	16,235	155,971	88,668
Total		139,736	16,235	155,971	88,668
Net gains on investments		-	-	-	-
Net income	8	7,370	431	7,801	31,003
Transfers between funds		-	-	-	-
Net income before other gains/(losses)		7,370	431	7,801	31,003
Other gains and losses					
Net movement in funds		7,370	431	7,801	31,003
Reconciliation of funds:					
Total funds brought forward		51,800	-	51,800	20,797
Total funds carried forward		59,170	431	59,601	51,800

The Khayaal Theatre Company
Summary Income and Expenditure Account
for the year ended 31 July 2021

	2021 £	2020 £
Income	163,772	119,671
Gross income for the year	<u>163,772</u>	<u>119,671</u>
Expenditure	153,209	88,446
Depreciation and charges for impairment of fixed assets	2,762	222
Total expenditure for the year	<u>155,971</u>	<u>88,668</u>
Net income before tax for the year	<u>7,801</u>	<u>31,003</u>
Net income for the year	<u><u>7,801</u></u>	<u><u>31,003</u></u>

The Khayaal Theatre Company

Balance Sheet

at 31 July 2021

Company No. 03597083	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	10	11,647	665
		<u>11,647</u>	<u>665</u>
Current assets			
Cash at bank and in hand		49,985	57,135
		<u>49,985</u>	<u>57,135</u>
Creditors: Amount falling due within one year	11	(2,031)	(6,000)
Net current assets		<u>47,954</u>	<u>51,135</u>
Total assets less current liabilities		<u>59,601</u>	<u>51,800</u>
Net assets excluding pension asset or liability		<u>59,601</u>	<u>51,800</u>
Total net assets		<u><u>59,601</u></u>	<u><u>51,800</u></u>
The funds of the charity			
Restricted funds	12		
Restricted income funds		431	-
		<u>431</u>	<u>-</u>
Unrestricted funds	12		
General funds		59,170	51,800
		<u>59,170</u>	<u>51,800</u>
Reserves	12		
Total funds		<u><u>59,601</u></u>	<u><u>51,800</u></u>

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

For the year ended 31 July 2021 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 21 February 2022

And signed on its behalf by:

F. Qureshi

Trustee

21 February 2022

The Khayaal Theatre Company
Statement of Cash flows
for the year ended 31 July 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	7,801	31,003
Adjustments for:		
Depreciation of property, plant and equipment	2,762	222
Other gains/losses	-	-
(Decrease)/Increase in trade and other payables	(3,969)	6,000
Net cash provided by operating activities	<u>6,594</u>	<u>33,923</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(13,744)	-
Net cash (used in)/from investing activities	<u>(13,744)</u>	<u>3,302</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	(7,150)	37,225
Cash and cash equivalents at the beginning of the year	57,135	19,910
Cash and cash equivalents at the end of the year	<u>49,985</u>	<u>57,135</u>
Components of cash and cash equivalents		
Cash and bank balances	49,985	57,135
	<u>49,985</u>	<u>57,135</u>

1 Accounting policies

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
---------------------------------	--

Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
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Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
-------------------------------------	---

Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
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Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
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Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
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Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
-------------------------------------	--

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant & Machinery	25% Reducing balance
Motor Vehicle	25% Reducing balance

Trade and other 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Income and endowments from:			
Donations and legacies	52,267	-	52,267
Charitable activities	47,435	16,667	64,102
Other	3,302	-	3,302
Total	103,004	16,667	119,671
Expenditure on:			
Other	72,001	16,667	88,668
Total	72,001	16,667	88,668
Net income	31,003	-	31,003
Net income before other gains/(losses)	31,003	-	31,003
Other gains and losses:			
Net movement in funds	31,003	-	31,003
Reconciliation of funds:			
Total funds brought forward	20,797	-	20,797
Total funds carried forward	51,800	-	51,800

4 Income from donations and legacies

	Unrestricted	Total 2021	Total 2020
	£	£	£
Donations	13,227	13,227	30,707
Fees receivable	10,790	10,790	20,120
Friends' subscriptions	1,740	1,740	1,440
	<u>25,757</u>	<u>25,757</u>	<u>52,267</u>

5 Income from charitable activities

	Unrestricted	Restricted	Total 2021	Total 2020
	£	£	£	£
Grants	121,349	16,666	138,015	64,102
	<u>121,349</u>	<u>16,666</u>	<u>138,015</u>	<u>64,102</u>

6 Other income

	Total 2021	Total 2020
	£	£
Gift Aid	-	3,302
	<u>-</u>	<u>3,302</u>

7 Other expenditure

	Unrestricted	Restricted	Total 2021	Total 2020
	£	£	£	£
Employee costs	34,858	5,713	40,571	20,291
Motor and travel costs	6,540	1,119	7,659	7,431
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	2,688	74	2,762	222
General administrative costs	57,763	5,624	63,387	13,179
Legal and professional costs	37,886	3,706	41,592	14,360
	<u>139,736</u>	<u>16,235</u>	<u>155,971</u>	<u>55,483</u>

8 Net income before transfers

	2021	2020
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	2,762	222

9 Staff costs

Salaries and wages	40,455	20,291
	<u>40,455</u>	<u>20,291</u>

No employee received emoluments in excess of £60,000.

The average monthly number of employees during the year was as follows:

	2021 Number	2020 Number
Administration and production	4	1
	<u>4</u>	<u>1</u>

10 Tangible fixed assets

	Plant & Machinery	Motor Vehicle	Total
	£	£	£
Cost or revaluation			
At 1 August 2020	1,326	18,716	20,042
Additions	13,744	-	13,744
At 31 July 2021	<u>15,070</u>	<u>18,716</u>	<u>33,786</u>
Depreciation and impairment			
At 1 August 2020	1,315	18,062	19,377
Depreciation charge for the year	2,598	164	2,762
At 31 July 2021	<u>3,913</u>	<u>18,226</u>	<u>22,139</u>
Net book values			
At 31 July 2021	<u>11,157</u>	<u>490</u>	<u>11,647</u>
At 31 July 2020	<u>11</u>	<u>654</u>	<u>665</u>

11 Creditors:

amounts falling due within one year

	2021 £	2020 £
Other creditors	2,031	6,000
	<u>2,031</u>	<u>6,000</u>

12 Movement in funds

	At 1 August 2020	Incoming resources (including other gains/losses) £	Resources expended £	At 31 July 2021 £
Restricted funds:				
Restricted income funds:				
Amal - Said Foundation	-	16,666	(16,235)	431
<i>Total</i>	<u>-</u>	<u>16,666</u>	<u>(16,235)</u>	<u>431</u>
Unrestricted funds:				
General funds	51,800	147,106	(139,736)	59,170
Revaluation Reserves:				
Total funds	<u>51,800</u>	<u>163,772</u>	<u>(155,971)</u>	<u>59,601</u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Amal - Said Foundation

13 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	11,217	430	11,647
Net current assets	47,954	-	47,954
	<u>59,171</u>	<u>430</u>	<u>59,601</u>

14 Reconciliation of net debt

	At 1 August 2020 £	Cash flows £	At 31 July 2021 £
Cash and cash equivalents	57,135	(7,150)	49,985
	<u>57,135</u>	<u>(7,150)</u>	<u>49,985</u>
Net debt	<u>57,135</u>	<u>(7,150)</u>	<u>49,985</u>

15 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

The Khayaal Theatre Company
Detailed Statement of Financial Activities
for the year ended 31 July 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:				
Donations and legacies				
Donations	13,227	-	13,227	30,707
Fees receivable	10,790	-	10,790	20,120
Friends' subscriptions	1,740	-	1,740	1,440
	<u>25,757</u>	<u>-</u>	<u>25,757</u>	<u>52,267</u>
Charitable activities				
Grants	121,349	16,666	138,015	64,102
	<u>121,349</u>	<u>16,666</u>	<u>138,015</u>	<u>64,102</u>
Other				
Gift Aid	-	-	-	3,302
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,302</u>
Total income and endowments	<u>147,106</u>	<u>16,666</u>	<u>163,772</u>	<u>119,671</u>
Expenditure on:				
Employee costs				
Salaries/wages	34,858	5,597	40,455	20,291
Staff training	-	116	116	-
	<u>34,858</u>	<u>5,713</u>	<u>40,571</u>	<u>20,291</u>
Motor and travel costs				
Travel and subsistence	6,540	1,119	7,659	7,431
	<u>6,540</u>	<u>1,119</u>	<u>7,659</u>	<u>7,431</u>
General administrative costs, including depreciation and amortisation				
Depreciation of Plant & Machinery	2,524	74	2,598	4
Depreciation of Motor Vehicle	164	-	164	218
Advertisement	8,804	232	9,036	805
Equipment leasing and hire charges	618	770	1,388	2,721
General insurances	1,840	309	2,149	1,009
Refreshments	1,636	241	1,877	2,729
Stationery and printing	9,538	-	9,538	4,850
Subscriptions	884	-	884	249
Sundry expenses	1,302	463	1,765	798
Telephone, fax and broadband	1,780	135	1,915	823
Venue hire	31,361	3,474	34,835	32,380
	<u>60,452</u>	<u>5,697</u>	<u>66,149</u>	<u>46,586</u>
Legal and professional costs				
Accountancy and bookkeeping	934	116	1,050	380
Sub-Contractors	36,852	3,590	40,442	13,685

The Khayaal Theatre Company
Detailed Statement of Financial Activities

Other legal and professional costs	100	-	100	295
	<u>37,886</u>	<u>3,706</u>	<u>41,592</u>	<u>14,360</u>
Total of expenditure of other costs	<u>139,736</u>	<u>16,235</u>	<u>155,971</u>	<u>88,668</u>
Total expenditure	139,736	16,235	155,971	88,668
Net gains on investments	-	-	-	-
	<u>7,370</u>	<u>431</u>	<u>7,801</u>	<u>31,003</u>
Net income				
Net income before other gains/(losses)	<u>7,370</u>	<u>431</u>	<u>7,801</u>	<u>31,003</u>
Other Gains	-	-	-	-
	<u>7,370</u>	<u>431</u>	<u>7,801</u>	<u>31,003</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward	<u>51,800</u>	<u>-</u>	<u>51,800</u>	<u>20,797</u>
Total funds carried forward	<u>59,170</u>	<u>431</u>	<u>59,601</u>	<u>51,800</u>

THE KHAYAAL THEATRE COMPANY

England & Wales - Charity number 1100005

Accounts

The Khayaal Theatre Company

Charity No. 1100005

Company No. 03597083

Trustees' Report and Unaudited Accounts

31 July 2020

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The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 July 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 03597083

Charity No. 1100005

Registered Office

42 Alexandra Avenue
PO Box 2523
Luton
LU3 9BN

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

R. Mughal
S.H.H. Naqvi
F. Qureshi
G. Virani

Company Secretary

L.A. Ali

Accountants

Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF

OBJECTIVES AND ACTIVITIES

The objects for which the company is established are to promote, maintain, improve and advance public education through the research, development, production and performance of drama and theatre inspired by and adapted from Muslim literature and the wisdom literature of other faith traditions.

The company's activities typically include touring stage performances (Theatre-without-Walls), running drama workshops, devising and running theatre-in-education programmes, publishing children books, training, advocacy and consultancy.

ACHIEVEMENTS AND PERFORMANCE

Over the period August-December 2019, we continued to fulfil high levels of demand similar to the previous three years from both new (58%) and existing (42%) host partners throughout England. We averaged 5 events / 6 performances per month covering 10 local authorities reaching 3500 cross-cultural audiences of all ages.

2020 began with much promise as we'd booked half of the 50 projected events for the year with multi-sector host partners by the end of January. In fact, we were excited by the prospect of exceeding our output targets again based on the volume of enquiries we were logging from both existing and new clients through the last quarter of 2019 and into the New Year.

We began the year (Jan-Mar) working in the education (3 primary schools and a university) and community sectors delivering 5 live physical events in Luton, Essex, Oxford and Brent reaching 1000 people.

In early February, we began to see a gradual decline in the flow of enquiries and bookings as the uncertainties, impact and implications of Covid-19 began to impose themselves on society. By early March, host partners began to either postpone or cancel provisional and confirmed bookings across the year and by mid-March bookings came to a halt. As we approached UK lockdown, it became obvious to us that Theatre-without-Walls would need to migrate online using the digital media (video and audio) if we were to survive and continue serving our audiences. Almost immediately, this imperative was confirmed for us as our national and international network of new and existing partners began to request digital content for hosted online events.

As we began to creatively pivot in order to adapt our work for digital audiences under lockdown conditions, it was quite fortuitous that we were just completing a 2-minute and an extended 6-minute promotional film showcasing the Theatre-without-Walls project. These films have benefitted at least 15,000 viewers to date and served as a bridge between our audiences and us as we transitioned to the digital delivery of our work. The films also introduced new audiences to the work we've been doing for many years to seed and cultivate the resurgence of the character virtues and humanitarian values of compassion, patience, resilience, solidarity and hope that we all recognized under lockdown as being essential to our safety, well-being, subsistence and recovery. The extended 6-min film is now being featured on Alchemiya, the Muslim Amazon-Prime add-on streaming channel as part of a collection of short films on British Muslim cultural artists and enterprises.

From the beginning of May, we began to deliver online multimedia events on Zoom and YouTube with national (Harrow, Kensington & Chelsea, Essex, Milton Keynes) and international host partners (Washington DC, USA; Dubai, UAE; Darussalam, Tanzania; and Kuala Lumpur, Malaysia) delivering to date 8 online events benefitting at least 4000 people.

These events included collections of tales of wisdom, wonder and humour from Muslim heritage on the occasions/themes of Ramadan, Eid al-Fitr and Hajj from Jalaluddin Rumi, Mulla Nasruddin and Mansa Musa, to name but a few.

In addition to hosted online events, we conceived and began the creative adaptation of a collection of 4 short films called #QuarantineTales of reflection, trust, healing and deliverance as a response to Covid-19. So far we've delivered *Tale of the Sands* (5mins) from Tunisia and will be releasing *Life & Death at the Well* (6mins) from the Hausa people of West Africa in the autumn. So far this collection has benefitted at least 78,000 people internationally.

Impact & Implications of Covid-19

In addition to migrating our project to the digital sphere, there are other critical impacts of the pandemic on our work:

Lost Income: The inability to tour live physical performances has resulted in the loss of between £30-40K in fees from host partners. This has meant that we have had to devote a substantial amount of time to fundraising to secure the financial resources to cover the shortfall. We were fortunate to secure a 6-month Covid Emergency grant of £35K from the Arts Council of England in May that made up for much of this shortfall.

Drop in Donations: We have seen a decline in donations from our supporters. We attribute this to the fact that our core BAME community audiences are disproportionately represented in the indices of multiple deprivations (60% of all Muslims live in the 20 most deprived local authorities in the United Kingdom) leading them to redirect their resources towards survival imperatives.

Severely Impacted Communities: Our core community audiences are being disproportionately affected by Covid-19. Currently 33% of those infected and dying are BAME and Muslim communities represent the largest BAME community whereas BAME account for only 14% of society. Even after Covid-19 has passed, we believe there will be a considerable time lag before our partner communities recover. **Losses:** Multiple, substantial and ultimately incalculable over time.

2019-2020 Facts & Figures

Highlights of 2019-20 include our engagements with the Alderman Bowen Disability Day Centre, Birmingham; Norton Rose Fulbright, London; Linklaters, London; University of Oxford; University of Bristol; Young Muslim Writers Awards, London; Revoluton, Luton; Date Valley School, Mitcham; Khidmah Weekend School, Slough and our Multifaith Stories tour of 10 Luton primary schools.

Physical Output

Physical Performances & Workshops: 35

Multi-Sector Host Partners: 30

Local Authorities Reached: 15

Live Audiences/Beneficiaries: 4,500

Sectors: Education, Social Care, Community, Faith/Interfaith, Culture, Charity, Academia and Corporate

Digital Output

(1)

Hosted Online Performances: 8

Multi-Sector Host Partners: 6

Countries Reached: UK, USA, UAE, Tanzania, Canada, Malaysia

Digital Audiences/Beneficiaries: 4,000

Sectors: Faith/Interfaith, Community, Culture and Education

(2)

Digital Content Offerings (Films and Audio): 8

Channels/Platforms: Facebook, Instagram, YouTube, Vimeo, Linked-In, Soundcloud, Alchemiya, TRT World, British Muslim TV, Islam Channel

Digital Audiences/Beneficiaries: 100K min.

Project offerings in order of quantity delivered:

- Muslim Heritage Stories from Iraq, Palestine, China, Pakistan, Iran, India, Tunisia, Bangladesh, Yemen, Nigeria, Syria, Tanzania, Sierra Leone, Turkey, Uzbekistan etc. 80%

- Multi-faith Stories from Hinduism, Judaism, Christianity, Islam and Sikhism 20%

Developments in the Wider Work of Khayaal 2019-2020

Riding a Donkey Backwards

- A US version of our first children's book was published in August '19 by Candlewick Press

- Due to the success of the UK hardback, the title was published in paperback in the UK on 23rd January 2020.

- The prestigious Little Angel children's theatre in Islington has agreed to co-produce a puppet theatre production with us inspired by the book scheduled to launch for Eid al-Fitr in May 2021.
- Riding a Donkey Backwards made the Reading Agency's #SummerReadingChallenge2020 to be called Silly Squad, and will be a celebration of funny books, happiness and laughter. In the US, the book made it into the Junior Library Guild Gold Selection.
- 'Riding a Donkey Backwards: Wise and Foolish Tales of Mulla Nasruddin' was chosen by the United States Board on Books for Young People (USBYP) as an Outstanding International Book 2020.

The British Muslim Community's Engagement with Theatre Funded PhD Scholarship

In December 2019, the Arts & Humanities Research Council and North West Consortium Doctoral Training Partnership approved a PhD partnership project between Khayaal Theatre and Manchester Metropolitan University School of Theatre over 2020-2023. This award is a huge breakthrough for Khayaal and opens the way for us to share over two decades of experience serving Muslim communities with the theatre sector and academia.

FINANCIAL REVIEW

During the year under review the charity received unrestricted income of £103,004 (2019: £95,408) and restricted income of £16,667 (2019: £8,334) and had an expenditure of £72,001 (2019: £93,201) and £16,667 (2019: £8,334) for unrestricted and restricted respectively. At the Balance Sheet date the charity held unrestricted funds of £51,800 (2019: £20,797).

The purpose of this policy is to ensure that Khayaal TC is able to act in the interests of its charitable purposes and its beneficiaries, as well as protecting and safeguarding its assets and ensuring that due diligence is taken in complying with current legislation and good practice guidance.

The Trustee Directors have established a reserves policy whereby a combination of the next quarter's projected income together with unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the theatre company are sufficient to cover current liabilities, commitments and activities/operations for 4 calendar months.

The trustees have given due consideration to the ability of the Charity to continue as a going concern. Due to the continued the Charity receives from its donors and the public, the trustees are satisfied that the going concern basis remains appropriate. Furthermore, the Charity believes that the level of unrestricted funds held remains sufficient to support the activities of the Charity in the foreseeable future.

Financial and risk management objectives and policies

Risk mitigation has been central to the organisational management processes that have ensured that we have alternately survived and flourished for over two decades. We manage and mitigate risk by maintaining a high level of industry awareness and forecasting. This is achieved by monitoring developments in our sector and related sectors in the media and public forums. We also review our organisational SWOT analysis on a regular basis taking into consideration market trends here and abroad affording us continuous tracking across analysis factors. Where financial risk is concerned, we have primarily employed the combined strengths of scalability, commitment, ingenuity and passion in order to adapt to changing circumstances and transform challenges into opportunities. Our core staff and board of directors share responsibility for risk mitigation.

Principal funding source

Over the year 2019-20, our funding came from a mix of sources as follows:

The Khayaaal Theatre Company
Trustees Annual Report

Grants 51% (Amal, Aziz Foundation and Arts Council of England)

Donations & Gift Aid 32%

Income from sales and services 16% (heavily impacted by Covid-19 / 34% in '18-19)

PLANS FOR FUTURE PERIODS

We aim to preserve enterprise viability and relevance by using our own learning gained over the past months in conjunction with the University of Exeter's Digital Theatre Transformation – a case study and digital toolkit in order to remodel our enterprise to incorporate symbiotic physical and digital service lines that will enable us to continue to serve and expand our underserved audiences both nationally and internationally. This will involve the following strands of cultural activity:

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

F. Qureshi

Trustee

09 October 2020

Independent Examiner's Report to the trustees of The Khayaal Theatre Company

I report to the charity trustees on my examination of the accounts of The Khayaal Theatre Company for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes.

Responsibilities and basis of report

As the trustees of the charity (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 charity 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

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

- accounting records were not kept in accordance with 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 under 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 Charities SORP (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.

Sajjad Tejani
FCCA
Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF
09 October 2020

The Khayaal Theatre Company
Statement of Financial Activities
for the year ended 31 July 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
	Notes				
Income and endowments from:					
Donations and legacies	4	52,267	-	52,267	62,237
Charitable activities	5	47,435	16,667	64,102	36,834
Other	6	3,302	-	3,302	4,671
Total		103,004	16,667	119,671	103,742
Expenditure on:					
Other	7	72,001	16,667	88,668	101,535
Total		72,001	16,667	88,668	101,535
Net gains on investments		-	-	-	-
Net income	8	31,003	-	31,003	2,207
Transfers between funds		-	-	-	-
Net income before other gains/(losses)		31,003	-	31,003	2,207
Other gains and losses					
Net movement in funds		31,003	-	31,003	2,207
Reconciliation of funds:					
Total funds brought forward		20,797	-	20,797	18,590
Total funds carried forward		51,800	-	51,800	20,797

The Khayaal Theatre Company
Summary Income and Expenditure Account
for the year ended 31 July 2020

	2020 £	2019 £
Income	119,671	103,742
Gross income for the year	<u>119,671</u>	<u>103,742</u>
Expenditure	88,446	101,239
Depreciation and charges for impairment of fixed assets	222	296
Total expenditure for the year	<u>88,668</u>	<u>101,535</u>
Net income before tax for the year	31,003	2,207
Net income for the year	<u><u>31,003</u></u>	<u><u>2,207</u></u>

The Khayaal Theatre Company

Balance Sheet

at 31 July 2020

Company No. 03597083	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	10	665	887
		<u>665</u>	<u>887</u>
Current assets			
Cash at bank and in hand		57,135	19,910
		<u>57,135</u>	<u>19,910</u>
Creditors: Amount falling due within one year	11	(6,000)	-
Net current assets		<u>51,135</u>	<u>19,910</u>
Total assets less current liabilities		<u>51,800</u>	<u>20,797</u>
Net assets excluding pension asset or liability		<u>51,800</u>	<u>20,797</u>
Total net assets		<u><u>51,800</u></u>	<u><u>20,797</u></u>
The funds of the charity			
Restricted funds	12		
Restricted income funds		-	-
		<u>-</u>	<u>-</u>
Unrestricted funds	12		
General funds		51,800	20,797
		<u>51,800</u>	<u>20,797</u>
Reserves	12		
Total funds		<u><u>51,800</u></u>	<u><u>20,797</u></u>

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

For the year ended 31 July 2020 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 09 October 2020

And signed on its behalf by:

F. Qureshi

Trustee

09 October 2020

The Khayaal Theatre Company
Statement of Cash flows
for the year ended 31 July 2020

	2020 £	2019 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	31,003	2,207
Adjustments for:		
Depreciation of property, plant and equipment	222	296
Dividends, interest and rents from investments	(3,302)	(4,671)
Other gains/losses	-	-
Increase in trade and other payables	6,000	-
Net cash provided by/(used in) operating activities	<u>33,923</u>	<u>(2,168)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	3,302	4,671
Net cash from investing activities	<u>3,302</u>	<u>4,671</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	37,225	2,503
Cash and cash equivalents at the beginning of the year	19,910	17,407
Cash and cash equivalents at the end of the year	<u>57,135</u>	<u>19,910</u>
Components of cash and cash equivalents		
Cash and bank balances	57,135	19,910
	<u>57,135</u>	<u>19,910</u>

1 Accounting policies

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
-----------------------	---

Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
---------------------------------	--

Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
------------------------	--

Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
-------------------------------------	---

Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
---------------------------------	--

Volunteer help	The value of any volunteer help received is not included in the accounts.
----------------	---

Investment income	This is included in the accounts when receivable.
-------------------	---

Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
---	---

Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
-------------------------------------	--

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant & Machinery	25% Reducing balance
Motor Vehicle	25% Reducing balance

Trade and other 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Income and endowments from:			
Donations and legacies	62,237	-	62,237
Charitable activities	28,500	8,334	36,834
Other	4,671	-	4,671
Total	95,408	8,334	103,742
Expenditure on:			
Other	93,201	8,334	101,535
Total	93,201	8,334	101,535
Net income	2,207	-	2,207
Net income before other gains/(losses)	2,207	-	2,207
Other gains and losses:			
Net movement in funds	2,207	-	2,207
Reconciliation of funds:			
Total funds brought forward	18,590	-	18,590
Total funds carried forward	20,797	-	20,797

4 Income from donations and legacies

	Unrestricted £	Total 2020 £	Total 2019 £
Donations	30,707	30,707	25,753
Fees receivable	20,120	20,120	35,094
Friends' subscriptions	1,440	1,440	1,390
	52,267	52,267	62,237

5 Income from charitable activities

	Unrestricted	Restricted	Total 2020	Total 2019
	£	£	£	£
Grants	47,435	16,667	64,102	36,834
	<u>47,435</u>	<u>16,667</u>	<u>64,102</u>	<u>36,834</u>

6 Other income

	Unrestricted	Total 2020	Total 2019
	£	£	£
Gift Aid	3,302	3,302	4,671
	<u>3,302</u>	<u>3,302</u>	<u>4,671</u>

7 Other expenditure

	Unrestricted	Restricted	Total 2020	Total 2019
	£	£	£	£
Employee costs	14,606	5,685	20,291	16,875
Motor and travel costs	6,094	1,337	7,431	13,597
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	222	-	222	296
General administrative costs	10,607	2,572	13,179	18,017
Legal and professional costs	10,785	3,575	14,360	16,921
	<u>42,314</u>	<u>13,169</u>	<u>55,483</u>	<u>65,706</u>

8 Net income before transfers

	2020	2019
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	222	296

9 Staff costs

Salaries and wages	20,291	16,875
	<u>20,291</u>	<u>16,875</u>

No employee received emoluments in excess of £60,000.

The average monthly number of full time equivalent employees during the year was as follows:

	2020 Number	2019 Number
Administration and production	1	1
	<u>1</u>	<u>1</u>

10 Tangible fixed assets

	Plant & Machinery	Motor Vehicle	Total
	£	£	£
Cost or revaluation			
At 1 August 2019	1,326	18,716	20,042
At 31 July 2020	<u>1,326</u>	<u>18,716</u>	<u>20,042</u>
Depreciation and impairment			
At 1 August 2019	1,311	17,844	19,155
Depreciation charge for the year	4	218	222
At 31 July 2020	<u>1,315</u>	<u>18,062</u>	<u>19,377</u>
Net book values			
At 31 July 2020	<u>11</u>	<u>654</u>	<u>665</u>
At 31 July 2019	<u>15</u>	<u>872</u>	<u>887</u>

11 Creditors:

amounts falling due within one year

	2020	2019
	£	£
Other creditors	6,000	-
	<u>6,000</u>	<u>-</u>

12 Movement in funds

	At 1 August 2019	Incoming resources (including other gains/losses)	Resources expended	At 31 July 2020
	£	£	£	£
Restricted funds:				
Restricted income funds:				
Amal - Said Foundation	-	16,667	(16,667)	-
<i>Total</i>	<u>-</u>	<u>16,667</u>	<u>(16,667)</u>	<u>-</u>
Unrestricted funds:				
General funds	20,797	103,004	(72,001)	51,800
Revaluation Reserves:				
Total funds	<u>20,797</u>	<u>119,671</u>	<u>(88,668)</u>	<u>51,800</u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Amal - Said Foundation

13 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fixed assets	665	665
Net current assets	51,135	51,135
	<u>51,800</u>	<u>51,800</u>

14 Reconciliation of net debt

	At 1 August 2019 £	Cash flows £	New HP/Finance leases £	At 31 July 2020 £
Cash and cash equivalents	19,910	37,225		57,135
	<u>19,910</u>	<u>37,225</u>	-	<u>57,135</u>
Net debt	<u>19,910</u>	<u>37,225</u>	-	<u>57,135</u>

15 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

The Khayaal Theatre Company
Detailed Statement of Financial Activities
for the year ended 31 July 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:				
Donations and legacies				
Donations	30,707	-	30,707	25,753
Fees receivable	20,120	-	20,120	35,094
Friends' subscriptions	1,440	-	1,440	1,390
	<u>52,267</u>	<u>-</u>	<u>52,267</u>	<u>62,237</u>
Charitable activities				
Grants	47,435	16,667	64,102	36,834
	<u>47,435</u>	<u>16,667</u>	<u>64,102</u>	<u>36,834</u>
Other				
Gift Aid	3,302	-	3,302	4,671
	<u>3,302</u>	<u>-</u>	<u>3,302</u>	<u>4,671</u>
Total income and endowments	103,004	16,667	119,671	103,742
Expenditure on:				
Employee costs				
Salaries/wages	14,606	5,685	20,291	16,875
	<u>14,606</u>	<u>5,685</u>	<u>20,291</u>	<u>16,875</u>
Motor and travel costs				
Travel and subsistence	6,094	1,337	7,431	13,597
	<u>6,094</u>	<u>1,337</u>	<u>7,431</u>	<u>13,597</u>
General administrative costs, including depreciation and amortisation				
Depreciation of Plant & Machinery	4	-	4	5
Depreciation of Motor Vehicle	218	-	218	291
Advertisement	623	182	805	3,417
Equipment leasing and hire charges	1,300	1,421	2,721	5,442
General insurances	704	305	1,009	1,340
Refreshments	2,474	255	2,729	2,569
Stationery and printing	4,766	84	4,850	6,488
Subscriptions	249	-	249	390
Sundry expenses	437	361	798	654
Telephone, fax and broadband	677	146	823	1,134
Venue hire	29,064	3,316	32,380	32,412
	<u>40,516</u>	<u>6,070</u>	<u>46,586</u>	<u>54,142</u>
Legal and professional costs				
Accountancy and bookkeeping	266	114	380	360
Sub-Contractors	10,297	3,388	13,685	16,291

The Khayaal Theatre Company
Detailed Statement of Financial Activities

Other legal and professional costs		221	74	295	270
		<u>10,785</u>	<u>3,575</u>	<u>14,360</u>	<u>16,921</u>
Total of expenditure of other costs		<u>72,001</u>	<u>16,667</u>	<u>88,668</u>	<u>101,535</u>
Total expenditure		72,001	16,667	88,668	101,535
Net gains on investments		-	-	-	-
		<u>31,003</u>	<u>-</u>	<u>31,003</u>	<u>2,207</u>
Net income					
Net income before other gains/(losses)		<u>31,003</u>	<u>-</u>	<u>31,003</u>	<u>2,207</u>
Other Gains		-	-	-	-
		<u>31,003</u>	<u>-</u>	<u>31,003</u>	<u>2,207</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward	20,797	-	-	20,797	18,590
Total funds carried forward	<u>51,800</u>	<u>-</u>	<u>-</u>	<u>51,800</u>	<u>20,797</u>