

THEATRE FOR A CHANGE LIMITED
(A charitable company limited by guarantee)

Report and Financial Statements

Year ended 31 March 2023

Charity No. 1104458
Company No. 04913606

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Report of the directors for the year ended 31 March 2023

The directors are pleased to present their report, together with the financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Theatre for a Change Limited is a company limited by guarantee without share capital and governed by its Memorandum and Articles of Association. Charity no: 1104458. Company no: 4913606.

Directors

The directors serving during the year and since the year end were as follows:

G Bates
A Bardelli Danieli
K Chaston (Chair)
A-M Harris
L Millward
J Misomali
M Montgomery
V Rae
T Williams

Secretary

L Bridger

Registered Office

Africa House, 70 Kingsway, London, WC2B 6AH

Independent Auditor

Greenback Alan LLP 89 Spa Road, London SE16 3SG

Bankers

National Westminster Bank plc

Solicitors

Mishcon de Reya, Africa House, 70 Kingsway, London WC2B 6AH

Structure, Governance and Management

Governing documents

Theatre for a Change Limited is a company limited by guarantee (No. 4913606) incorporated 26 September 2003. Its governing documents are the Memorandum and Articles of Association.

Directors

The directors listed on page 1 served throughout the period except as noted. Directors may be elected by the Board to serve until the next annual general meeting or by the members in general meeting.

Appointment and training of directors

When recruiting new directors, the Board looks for individuals with skills and experience that are of value to the company and which may not already be held by existing directors. Potential directors are interviewed by the Chair and the Executive Director and are provided with an organisational information pack.

Prior to appointment all Board members have a three-month probationary period, during which they are expected to attend a board meeting. They will be provided with further information about Theatre for a Change and their responsibility and liability as director. Where appropriate, the company supports specific training of directors.

Organisation

The focus of this report is Theatre for a Change Limited (TfaC UK), a United Kingdom charity. Our international partner, Theatre for a Change Malawi, is a legally independent separate company with its own constitution, management committee and audited accounts.

UK staff:

Fiona Morrell, Executive Director

Heather Knight, Head of Grants (resigned 6th June 2022)

Ryan Borcharding, Head of Methodology and Training

Akanksha Malhautra, Head of Fundraising and Grants (started 4th July 2022)

UK Board of directors:

Gerald Bates, Partner, BDO LLP

Andrea Bardelli Danieli, Head of Marketing and Communications, General Medical Council

Kay Chaston, Consultant (Chair)

Anne-Marie Harris, Consultant

Michelle Montgomery, Business Affairs Manager, Adidas

Louise Millward, Head of Philanthropy and Partnerships, Freedom from Torture

Jeffrey Misomali, Associate Director, The Power of Nutrition

Victoria Rae, Charity Consultant

Teohna Williams, Deputy Head of Office, UN Peacekeeping DRC

Registered Office: c/o Mishcon de Reya, Africa House, 70 Kingsway, London WC2B 6AH.

The Board meets once per quarter, and is facilitated by the Executive Director. Support for legal matters is given on a pro bono basis by Mishcon de Reya and the independent auditor is Greenback Alan LLP.

Objectives and Activities

The Memorandum of Association includes the Objects of TfaC UK:

“1. The advancement of the education and health of marginalised communities in the UK and abroad by the use of performing arts including but not limited to the arts of drama, mime, dance, singing and music; and

2. such other charitable purposes as the directors at their absolute discretion shall decide.”

The directors have had regard to the Charity Commission’s guidance on public benefit.

OUR VISION

Our vision is of an equal world, where everyone has choice and control over their bodies and can use their voices freely and without fear.

OUR MISSION

Our mission is to improve the sexual and reproductive health and rights of women and girls* who have been marginalised, using participatory learning and drama.

**TfaC includes in its definition, any person who identifies as a woman or a girl.*

ORGANISATIONAL OBJECTIVES

1. Innovate, evidence and package our unique methodology, so that it is recognised and sought as an impactful approach for transforming unequal gender power dynamics.
 2. Build and strengthen balanced and supportive partnerships with organisations in the Global South that improve the sexual and reproductive health and rights of women and girls who have been marginalised.
 3. Create spaces for women and girls who have been marginalised to influence national and global decision makers, so that their sexual and reproductive health and rights are prioritised.
-

Achievements and performance - April 2022 - March 2023

This year marks the first year of implementation of TfaC UK’s new five-year organisational strategy. Over the course of the year, we have become bolder about our positioning as a women and girls’ rights organisation and sought to increase our partnerships with likeminded donors and partners. Despite the ongoing challenging legacy of the Covid-19 pandemic, the impact of climate change and an increasingly tough global economic climate, we have continued to work closely with our partners in Malawi, Ghana, and also during the year in Palestine, to work with women and girls who have been structurally marginalised and silenced, enabling them to recognise and realise their full sexual and reproductive health and rights.

To achieve our impact, TfaC has continued to use our innovative participatory learning and theatre-based approach, ensuring that the experience, needs and expertise of our participants is at the centre of everything we do.

We continue to prioritise robust management and financial procedures, providing the highest levels of transparency and quality to our supporters, board, staff and the women and girls we serve.

Theatre for a Change UK

A significant achievement in 2022 - 2023 has been the commissioning and delivery of an organisational meta-analysis by KIT, the Royal Tropical Institute in The Netherlands. This internationally renowned research centre has analysed both primary and secondary data to evidence the impact of Theatre for a Change's unique methodology through programmes conducted over the last ten years in multiple geographies. We look forward to learning from and sharing this report in the year ahead.

We continue to think strategically about how to scale and sustain impact in a cost-effective way. Over the course of the year, we have launched the TfaC Online Learning Hub - an innovative platform incorporating monitoring and evaluation tools, training materials, and opportunities for facilitators to learn from each other, building a connecting and empowered community of practice.

In May 2022, TfaC, through its New Partnership Programme (NPP) partnered with the Palestinian Family Planning and Protection Association (PFPPA), an International Planned Parenthood (IPPF), local member association. Our team trained a group of young women and men from Hebron to deliver interactive radio drama focused on improving the ability of listeners to report gender-based violence. This was TfaC's first experience of working in Palestine and we were delighted with the enthusiasm and commitment to the project shown by both PFPPA and all participants involved. We look forward to building on this relationship in the future.

Theatre for a Change Malawi (TfaC Malawi)

In Malawi we continue to work side by side with our sister organisation on the implementation of the five year Leave No Girl Behind project, funded by the UK Foreign, Commonwealth and Development Office (FCDO), and delivered in partnership with Link Education International, Supreme Pads, CUMO Microfinance Limited and CGA Technologies. The project focuses on supporting 5,000 highly marginalised out of school girls and boys in three districts in Malawi to access inclusive education, including sexual and reproductive health support and services, and vocational opportunities.

TfaC Malawi launched a new one-year project, funded by the Oak Foundation, focused on reducing sexual violence against women and girls with disabilities. The project developed from an understanding of the complex needs of participants in the LNGB programme and is specifically focused on changing attitudes around disabilities within communities in partnership with disability rights focused organisations and experts.

We continued our partnership with the Medicor Foundation to deliver innovative approaches to improving sexual and reproductive health and rights education in teacher training colleges and primary schools. The project was supported by the use of the Interactive Radio Drama Programme in order to maximise impact with the resources available. Over this year the project specifically focused on training lifeskills lecturers within teacher training colleges to be able to embed the TfaC approach and curriculum within their teaching practice.

TfaC Malawi also continued their long-standing collaboration with the German Government in Malawi (GIZ) working in the Southern Region of Malawi to prevent and respond to sexual and gender-based violence in schools and in communities. The project, providing direct funding to TfaC Malawi, focused on districts that are most affected by heavy storms and flooding and where residents find themselves displaced and / or severely affected by the changing climate. This project has now come to an end due to GIZ leaving the thematic field of basic education within Malawi. We leave behind trained and resilient communities and facilitators whose skills became all the more important as they dealt with the aftermath of Cyclone Freddy which severely affected the Southern Region in February 2023.

TfaC Malawi continue to provide direct sexual and reproductive health care to women and girls who struggle to access static health services. These include women working as sex workers in Lilongwe and adolescent girls at risk of experiencing sexual exploitation. The clinic also reached the male clients and partners of women in sex work. The clinic also provides services to pre-service teachers and out of school girls and boys in the Leave No Girl Behind project.

Theatre for a Change in Ghana

Theatre for a Change UK continued to support The Women of Dignity Alliance (WODA) with funding from UK donors, and with management and strategic advice.

WODA's work continues to have a significant impact on the sexual and reproductive health and rights of women in sex work. The year saw WODA open a new venture, WODA Cares, a small shop providing a range of hairdressing and beautician services, which enables women who have taken part in the vocationally skills programme to practice their skills and diversify their incomes.

WODA is becoming increasingly well known within Ghana and are currently using their strategic position, to advocate, alongside others, for the decriminalisation of sex work.

The Year Ahead

As the Leave No Girl Behind and Medicor programmes come to an end in Autumn 2023, TfaC is actively looking for and creating programmes with new funders and partners, building on a strong learning and evidence base. We continue to identify and prioritise the urgent needs of the most left-behind women and girls, whilst simultaneously deepening the impact and sustainability of the work through addressing structural barriers to change.

We are also excited about forging connections and learning between participants, facilitators, and partners in the different countries we work, harnessing the benefits of technology to contribute towards movement level change and amplifying unheard voices.

Fundraising activities of TfaC UK

Funding sources

Anonymous foundations and individuals

The Allan and Nesta Ferguson Charitable Trust

The Foreign Commonwealth and Development Office

The Evan Cornish Foundation

The Medicor Foundation

The Mercury Phoenix Trust

The Oak Foundation

Charitable activities

The directors' sincere thanks also go to those individuals who have supported TfaC UK by making donations, as well as to the many people who have volunteered their time and expertise to help the organisation during the year.

CONCLUSION

Whilst 2021 - 2022 was a year focused on leadership change and strategic re-focus, 2022 - 2023 saw the beginnings of these strategic changes transforming into action. TfaC has developed stronger relationships and partnerships with like-minded feminist organisations and donors, and a deeper focus on working on complex issues that affect the most marginalised populations - projects such as tackling the issues of sexual violence against women and girls with disabilities, and enabling women to publicly share their experiences of gender-based violence in Palestine.

We are clear-sighted about the challenges which face our sector, but we continue to be driven by and inspired not just by the need, but by the extraordinary courage of the women and girls we have the privilege to serve.

Financial review

During the year under review, the total income was £879,222 (2022- £1,067,206) and the expenditure was £905,992 (2022 - £899,555).

The Memorandum of Association prohibits the payment of any dividends.

Investment powers and policy

The Memorandum of Association allows the company to invest in those securities and property as the directors think fit.

Reserves policy and going concern

During the year the Trustees reviewed the reserves policy. Given the continued uncertainty regarding the economic climate as a result of the COVID-19 pandemic and world events, the Trustees decided to maintain the level of reserves equivalent to that of six months. The requirement increased to £128,943.

The total amount of unrestricted funds held in reserve at year end is £152,069 (2022-£112,093). This is a strong position for the organisation, and one that will help to underpin its sustainability.

The restrictions on these funds are that they are to be used only when there is insufficient funding of core costs. The directors must be informed as soon as the reserves are being used. The funds are not held in any commitments or fixed assets but are held as cash and are available for use as and when the need arises.

For the year ended 31 March 2023, the company's total funds stood at £411,257 (2022 - £438,027) of which £259,188 (2022 - £325,934) are restricted funds.

The directors have reviewed the circumstances of Theatre for a Change Limited and consider that adequate resources continue to be available to fund the activities of the charitable company for the foreseeable future.

The directors have reviewed the plans and are of the view that the charitable company is a going concern.

Risk management

Risk management is a key aspect of the charity's good governance and management. Over the course of the year, the organisation has focused on strengthening its risk management practices. This has included the development and approval by Board of a Risk Management Policy; an organisational review and creation of a new risk register, assessed quarterly by the Board; and the development of due diligence review documents to help us better assess risk within partnerships and projects. In addition, we have formed a Financial, Audit and Risk Management Committee comprising three Trustees, the Finance and Executive Director who meet on a quarterly basis to scrutinise potential risks to the organisation and the strength of mitigation plans.

The organisation understands the seven principle areas of risks to be:

- Governance risks
- Operational risks
- Programmatic risks
- Fiduciary risks
- Reputational risks
- Environment / External risks
- Compliance risks

The current key risks identified relate to acquisition of new funding, due to the uncertain funding environment for development organisations. We will continue to prioritise the diversification and growth of the organisation's income.

Directors' responsibilities in relation to the financial statements

The directors are responsible for preparing a directors' annual report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including the Charities SORP Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the charitable company's affairs and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing the financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the directors are aware at the time of approving our directors' annual report:

- there is no relevant audit information, of which the charitable company's auditor is unaware, and
- the directors, have taken all the steps that he/she ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

By order of the directors:

K Chaston (Chair)

Date: 13 June 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THEATRE FOR A CHANGE LIMITED

Opinion

We have audited the financial statements of Theatre for a Change Limited (the charitable 'Company') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including the Charities SORP Financial Reporting Standard 102, the 'Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the charitable Company's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charitable Company and the sector in which it operates, we identified the principle risks of non-compliance with laws and regulations related to charitable companies and the application of charitable funds. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities SORP (FRS 102).

Through enquiry of management we gained an understanding of their relevant laws and regulations; the entity's policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We understand that the charitable Company complies with the framework through having in place robust procedures and policies and by outsourcing and taking external professional legal, tax and accounting advice on relevant specialist functions and areas.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation or error in the calculation of deferred and accrued income leading to the overstatement or understatement of net income;
- Manipulation or error in the classification of income leading to the under or overstatement of unrestricted or restricted funds.
- Manipulation or error in the use of funds leading to expenditure which is not in accordance with the charitable company's objectives.

The procedures we carried out to gain sufficient appropriate audit evidence in the above areas included:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Identifying and testing journal entries.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

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

Use of our report

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

Ian Rowe (Senior statutory auditor)
for and on behalf of
Greenback Alan LLP
Chartered Accountant
Statutory Auditor
89 Spa Road
London
SE16 3SG

Date: 14 June 2023

Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2023

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
		£	£	£	£
Income:					
Grants and donations	2	10,293	834,792	845,085	1,004,128
Earned from charitable activities	3	34,137	-	34,137	63,078
Total income		<u>44,430</u>	<u>834,792</u>	<u>879,222</u>	<u>1,067,206</u>
Expenditure:					
Expenditure on charitable activities	4	-	891,584	891,584	887,256
Costs of raising funds: Fundraising costs of grants and donations	4	4,454	9,954	14,408	12,299
Total expenditure		<u>4,454</u>	<u>901,538</u>	<u>905,992</u>	<u>899,555</u>
Net income/(expenditure) and net movement in funds for the year		39,976	(66,746)	(26,770)	167,651
Reconciliation of funds					
Total funds brought forward		<u>112,093</u>	<u>325,934</u>	<u>438,027</u>	<u>270,376</u>
Total funds carried forward		<u>152,069</u>	<u>259,188</u>	<u>411,257</u>	<u>438,027</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.
2022 comparative analysis of funds - see note 15.

The notes on pages 16 to 24 form part of these financial statements.

Balance Sheet as at 31 March 2023

	Notes	2023 £	2022 £
Current assets			
Debtors	8	227,677	231,879
Cash at bank and in hand	9	<u>450,013</u>	<u>578,130</u>
		677,690	810,009
Current liabilities			
Creditors falling due within one year	10	<u>(266,433)</u>	<u>(256,423)</u>
Net current assets		<u>411,257</u>	<u>553,586</u>
Non current liabilities			
Creditors due after more than one year	11	<u>-</u>	<u>(115,559)</u>
Total assets less current liabilities		<u>411,257</u>	<u>438,027</u>

The funds of the charity:

Unrestricted income funds	12/13	152,069	112,093
Restricted income funds	12/13	<u>259,188</u>	<u>325,934</u>
Total charity funds		<u>411,257</u>	<u>438,027</u>

The directors have prepared the charitable company's financial statements in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the directors on 13 June 2023 and signed on their behalf by:

Signed K Chaston

Name: KAY CHASTON, Chair of directors
Registered number: 04913606

The notes on pages 16 to 24 form part of these financial statements.

Statement of cash flows for the year ended 31 March 2023

	2023	2022
	£	£
Net cash flows from operating activities:		
Net (expenditure)/ income for the reporting period as per the statement of financial activities	(26,770)	167,651
Decrease in debtors	4,202	15,975
(Decrease)/increase in creditors	(105,549)	(59,083)
	<hr/>	<hr/>
Net cash provided by (used in) operating activities and change in reporting period	(128,117)	124,543
Cash and cash equivalents at the beginning of the reporting period	578,130	453,587
	<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period	<u>450,013</u>	<u>578,130</u>

The notes on pages 16 to 24 form part of these financial statements.

**Notes forming part of the financial statements
for the year ended 31 March 2023**

1. Accounting policies

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

a) 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

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

b) Income recognition policies

Income including consultancy fees is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

c) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**Notes forming part of the financial statements (continued)
for the year ended 31 March 2023**

d) Resources expended

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

- Costs of generating funds comprise the costs associated with attracting voluntary income and those incurred in trading activities that raise funds.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

e) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, office costs and governance costs which support the Charity's activities.

f) Taxation

The company is a registered charity, and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

g) Fund accounting

Funds held by the charity are either:

- *Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the directors.
- *Designated funds* - these are funds set aside by the directors out of unrestricted general funds for specific future purposes or projects.
- *Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Notes forming part of the financial statements (continued)
for the year ended 31 March 2023

h) Creditors and provisions

Creditors and provisions are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party once 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.

i) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

j) Going concern

Following an assessment by the directors, they are of the view that the charitable company is able to continue as a going concern and the accounts have been prepared on this basis.

2. Grants and donations

	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Unrestricted funds £	Restricted funds £	Total funds 2022 £
Anonymous donors	-	105,667	105,667	-	172,747	172,747
Foreign, Commonwealth and Development Office	-	481,269	481,269	-	506,082	506,082
The Evan Cornish Foundation	-	-	-	-	7,500	7,500
Medicor Foundation	-	140,000	140,000	-	236,325	236,325
Mercury Phoenix	-	-	-	-	30,000	30,000
The Oak Foundation	-	84,566	84,566	-	37,750	37,750
The Allen and Nesta Foundation	-	20,000	20,000	-	-	-
Donated services	8,000	-	8,000	7,000	-	7,000
Donations	<u>2,293</u>	<u>3,290</u>	<u>5,583</u>	<u>3,288</u>	<u>3,436</u>	<u>6,724</u>
	<u>10,293</u>	<u>834,792</u>	<u>845,085</u>	<u>10,288</u>	<u>993,840</u>	<u>1,004,128</u>

Notes forming part of the financial statements (continued)
for the year ended 31 March 2023

3. Earned from charitable activities	2023	2022
	£	£
Licence fees	<u>34,137</u>	<u>63,078</u>

4. Analysis of expenditure

	Raising funds	Charitable activities	Governance	Support	Total 2023	Total 2022
		£	£	£	£	£
Grants payable to Malawi	-	528,947	-	-	528,947	577,354
Grants payable to Ghana	-	80,998	-	-	80,998	42,816
Staff costs (see note 7)	11,964	158,641	6,700	-	177,305	167,277
Direct costs	-	86,004	-	-	86,004	56,546
Finance	-	-	14,000	19,047	33,047	33,311
Strategic review	-	-	-	-	-	6,250
Exchange gain	-	-	-	(14,452)	(14,452)	-
Office rent	-	-	-	-	-	3,177
General office costs	-	-	-	14,143	14,143	12,824
	<u>11,964</u>	<u>854,590</u>	<u>20,700</u>	<u>18,738</u>	<u>905,992</u>	<u>899,555</u>
Support costs	992	17,746	-	(18,738)	-	-
Governance costs	<u>1,452</u>	<u>19,248</u>	<u>(20,700)</u>	-	-	-
Total expenditure 2023	<u>14,408</u>	<u>891,584</u>	<u>-</u>	<u>-</u>	<u>905,992</u>	<u>-</u>
Total expenditure 2022	<u>12,299</u>	<u>887,256</u>	<u>-</u>	<u>-</u>		<u>899,555</u>

Support and Governance costs are allocated on the basis of staff costs.

Expenditure on charitable activities was £891,584 (2022: £887,256) of which £891,584 (2022: £832,351) was restricted and £nil (2022: £54,905) was unrestricted.

5. Grants payable in furtherance of the charity's objects

	2023	2022
	£	£
Theatre for a Change Malawi	528,947	577,354
The Women of Dignity Alliance	80,998	42,816
	<u>609,945</u>	<u>620,170</u>

Theatre for a Change Malawi audited financial statements are available from the British Council, PO Box 30222, Capital City, Lilongwe 3, Malawi.

**Notes forming part of the financial statements (continued)
for the year ended 31 March 2023**

6. Employees

There were three full time UK and overseas based employees during the year (2022: 3).

7. Analysis of staff costs and directors' remuneration and expenses

	2023 £	2022 £
Salaries	156,731	150,673
Social security costs	12,402	10,265
Pension costs	<u>8,172</u>	<u>6,339</u>
Total cost	<u>177,305</u>	<u>167,277</u>

One member of staff is paid using an Employer of Record arrangement to ensure all local taxes are paid appropriately.

No employees had remuneration in excess of £60,000 in either 2023 or 2022.

Directors were not paid or received any other benefits from employment with the company in the year, neither were they reimbursed expenses during the year for travel expenses (2022: nil). No director received payment for professional or other services supplied to the company (2022: nil).

8. Debtors

	2023 £	2022 £
Prepayments and accrued income	202,482	203,686
Other debtors	<u>25,195</u>	<u>28,193</u>
	<u>227,677</u>	<u>231,879</u>

Other debtors includes an amount of £25,195 (2022- £25,200) due from Theatre for a Change Malawi.

9. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	<u>450,013</u>	<u>578,130</u>

Notes forming part of the financial statements (continued)
for the year ended 31 March 2023

10. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,936	8,135
Accruals	10,289	6,476
Deferred income	-	105,667
FCDO mobilisation grant	247,627	132,068
Other creditors	2,135	1,087
PAYE and NIC liabilities	<u>3,446</u>	<u>2,990</u>
	<u>266,433</u>	<u>256,423</u>

The above amount of £247,627 included in creditors falling due within one year represents monies loaned in respect of the FCDO grant via Link Community Development International (LINK). The term of the grant covers five years from August 2018 to 2023 and the loan is due to be repaid in instalments during the last year.

11. Creditors: amounts falling due after one year

	2023 £	2022 £
FCDO mobilisation grant	<u>-</u>	<u>115,559</u>

12a. Analysis of charitable funds

	Balance at 31 Mar 2022 £	Incoming resources £	Resources expended £	Balance at 31 Mar 2023 £
Analysis of unrestricted fund movements				
General fund	<u>112,093</u>	<u>44,430</u>	<u>(4,454)</u>	<u>152,069</u>
Analysis of restricted fund movements				
Malawi fund	91,732	664,125	(659,164)	96,693
Ghana fund	42,651	65,000	(100,037)	7,614
New Partnerships Programme	<u>191,551</u>	<u>105,667</u>	<u>(142,337)</u>	<u>154,881</u>
Total restricted funds	<u>325,934</u>	<u>834,792</u>	<u>(901,538)</u>	<u>259,188</u>

The Malawi and Ghana funds were established after gifts were received to further the development of projects in Africa.

The New Partnerships Programme funds work to transfer our methodology onto an on line learning platform.

Notes forming part of the financial statements (continued)
for the year ended 31 March 2023

12b. Analysis of charitable funds - comparative

	Balance at 31 Mar 2021	Incoming resources	Resources expended	Balance at 31 Mar 2022
	£	£	£	£
Analysis of unrestricted fund movements				
General fund	<u>105,931</u>	<u>73,366</u>	<u>(67,204)</u>	<u>112,093</u>
Analysis of restricted fund movements				
Malawi fund	55,889	722,268	(686,425)	91,732
Ghana fund	2,260	98,825	(58,434)	42,651
New Partnerships Programme	<u>106,296</u>	<u>172,747</u>	<u>(87,492)</u>	<u>191,551</u>
Total restricted funds	<u>164,445</u>	<u>993,840</u>	<u>(832,351)</u>	<u>325,934</u>

The Malawi and Ghana funds were established after gifts were received to further the development of projects in Africa.

The New Partnerships Programme funds work to the transfer our methodology onto an on line learning platform.

13a. Analysis of net assets between funds

	General fund 2023	Restricted funds 2023	Total 2023
	£	£	£
Cash at bank	170,875	279,138	450,013
Net current liabilities	<u>(18,806)</u>	<u>(19,950)</u>	<u>(38,756)</u>
	<u>152,069</u>	<u>259,188</u>	<u>411,257</u>

Notes forming part of the financial statements (continued)
for the year ended 31 March 2023

13b. Analysis of net assets between funds - comparative

	General fund 2022 £	Restricted funds 2022 £	Total 2022 £
Cash at bank	130,782	447,348	578,130
Net current liabilities	(18,689)	(5,855)	(24,544)
Long term liabilities	<u>-</u>	<u>(115,559)</u>	<u>(115,559)</u>
	<u>112,093</u>	<u>325,934</u>	<u>438,027</u>

14. Legal status of the company

The charity is a company limited by guarantee and has no share capital, incorporated in the United Kingdom and registered in England & Wales. Every member of Theatre for a Change undertakes to contribute to the assets of Theatre for a Change in the event of a winding-up while he/she is a member, or within one year after he/she ceases to be a member, for payment of the liabilities of Theatre for a Change contracted before he/she ceases to be a member, such amounts as may be required not exceeding £1.

Notes forming part of the financial statements (continued)
for the year ended 31 March 2023

15. Statement of Financial Activities - comparative for the year ended 31 March 2022:

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2022
		£	£	£
Income:				
Grants and donations	2	10,288	993,840	1,004,128
Earned from charitable activities	3	63,078	-	63,078
Total income		<u>73,366</u>	<u>993,840</u>	<u>1,067,206</u>
Expenditure:				
Expenditure on charitable activities	4	54,905	832,351	887,256
Costs of raising funds: Fundraising costs of grants and donations	4	12,299	-	12,299
Total expenditure		<u>67,204</u>	<u>832,351</u>	<u>899,555</u>
Net income/(expenditure) and net movement in funds for the year		6,162	161,489	167,651
Reconciliation of funds				
Total funds brought forward		<u>105,931</u>	<u>164,445</u>	<u>270,376</u>
Total funds carried forward		<u>112,093</u>	<u>325,934</u>	<u>438,027</u>