

Company registration number: 05242988

Charity registration number: 1108613

Arcola Theatre Production Company

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2025

Wenn Townsend
Chartered Accountants and Registered Auditors
30 St Giles'
Oxford
OX1 3LE

Arcola Theatre Production Company

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 10
Statement of Trustees' Responsibilities	11
Independent Auditors' Report	12 to 14
Statement of Financial Activities	15 to 16
Balance Sheet	17
Statement of Cash Flows	18
Notes to the Financial Statements	19 to 32

Arcola Theatre Production Company

Reference and Administrative Details

Trustees	Gabriel Gbadamosi Andrew Cripps, (Chair of Trustees) Ben Todd Abdullah Tercanli Naz Yeni Graham Cooley
Senior Management / Leadership Team	Mehmet Ergen, Executive Artistic Director Leyla Nazli, Deputy Artistic Director & Executive Producer
Charity Registration Number	1108613
Company Registration Number	05242988
Registered Office	24 Ashwin Street London E8 3DL
Auditor	Wenn Townsend Chartered Accountants and Registered Auditors 30 St Giles' Oxford OX1 3LE

Arcola Theatre Production Company

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2025. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Arcola Theatre Production Company is also known as Arcola Theatre.

Public performances continued in both Studio 1 and Studio 2 throughout 2024/25, including seven in-house productions between the two spaces.

The names of the Trustees are set out on Page 1. Conversations started in the year for Dr Graham Cooley to join as a new Trustee and Board Member, and he was duly recruited on 17 April 2025. The skills and composition of the Trustees are kept under regular review

Objectives and activities

a. Policies and objectives

Charitable objectives

The objectives for which the Charity is formed are to promote, maintain, improve and advance the education and appreciation of the public in the Arts and Sciences. In pursuing these objects, the Trustees have considered the Charity Commission's guidance on public benefit, including that related to fee charging.

Vision

Arcola Theatre's vision is of a genuinely radical theatre constantly reinventing itself to respond to, interpret and have relevance to an ever-changing contemporary Britain.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Mission

Arcola Theatre's mission is to imagine and build a theatre that flourishes within a cultural centre for its diverse local community. One that builds new audiences, generates its own powerful productions, and creates a home for the very best of UK and international theatre companies to visit.

Arcola Theatre Production Company

Trustees' Report

c. Activities undertaken to achieve objectives

In putting the above mission into action we have four major areas of activity (discussed in more detail below), which are professional theatre, talent development, promotion of environmental sustainability and venue operations.

d. Main activities undertaken to further the Charity's purposes for the public benefit

The main activities undertaken can be described in more detail as follows:

Off West End Professional Theatre

This activity includes the producing and receiving of theatre shows in our 200 and 100 seat studios, plus selected off-site locations, with a strong focus on socially and politically relevant works and diversity of voices.

Talent Development

This is an extensive programme that includes working with specific groups such as young people, older people, those tackling the stigmas surrounding mental health, Global Majority artists and LGBTQ communities, as well as the development of specific skills areas such as new writing, facilitator training and general skills development.

Environmental Sustainability

We continue to make environmental considerations central to our venue operations, and to disseminate our learning.

Venue Operation

Comprising the wide range of work required to provide a cultural and social space for the local community as well as rehearsal and performance spaces for a wide variety of professional and community uses.

Arcola Theatre Production Company

Trustees' Report

Achievements and performance

a. Key Performance Indicators

Planned turnover for 2024/25 was £1,451k with an unrestricted surplus of £21k.

Income for the year was £1,560,136 (2024 - £1,227,824). This included £798,325 from charitable activities (2024 - £658,648) and £70,047 of donations (2024 - £93,367). Earned income was 51% (2024 - 54%).

Arts Council England regular (NPO) funding provided £307,290 (2024 - £307,290) (20% of income, 2024 - 25%). Other grants received totalled £335,410 (2024 - £121,535).

Expenditure for the year was £1,599,239 (2024 - £1,271,177) including £136,004 (2024 - £131,257) of depreciation funded by allocation to the capital fund. Direct spending on professional theatre amounted to £1,140,678 (2024 - £780,060), with a further £382,218 (2024 - £400,788) spent on support costs. Direct spending on Talent Development amounted to £54,341 (2024 - £57,530) with a further £5,184 (2024 - £8,771) spent on support costs. Support costs on Venue Operation amounted to £16,818 (2024 - £24,028).

The year-end unrestricted funds of £192,887 (2024 - £225,804) include fixed assets of £127,947, leaving £64,940 as free reserves. This represents 26% of the target level of £250k.

b. Review of activities

Entering our 25th year, Arcola Theatre has continued to bring high quality, trailblazing theatre to audiences, championing diversity, prioritising globally relevant programming, and deepening community engagement.

The first in house show produced in 2024/25 was The Book of Grace by Suzi Lori Parks, directed by Femi Elufowoju jr. in Studio 1 which received great reviews:

★★★★★ "An incredibly gripping and crucial piece of theatre" - Broadway World

The second in house show in Studio 1 was Women Who Blow On Knots by Ece Temulkuran, adapted by Leyla Nazli.

"An exploration of revolution, mysticism and feminine power ... offers compelling moments of theatrical magic." - Everything Theatre

"Female stories from the Arab Spring take centre stage in this imaginative joyride through North Africa" - The Stage

The third in house show was Tarantula in Studio 2:

★★★★★ "A stunning solo turn in a complex but incredible piece of writing." - Everything Theatre

Arcola Theatre Production Company

Trustees' Report

★★★★★ "It is an immensely energetic, tour de force performance; despite the harrowing subject matter, you simply want it to go on and on." - The Guardian

The fourth in house show was The Double Act in Studio 1:

★★★★★ "Highly recommended" - The Telegraph

The fifth in house show was Cry Baby in Studio 1:

★★★★★ "A firecracker of a show" - The Guardian

The sixth in house show of 2024/2025 was Dear Martin in Studio 2:

★★★★★ "Sharply written, laugh-out loud... well worth seeing" - West End Best Friend

Visiting Companies

We hosted 14 visiting companies in 2024/2025 to perform their plays in Studio 1 and Studio 2.

Grimeborn 2024

We successfully delivered an ambitious 8-week programme comprising 7 distinct productions that ran in summer 2024. Each of these productions demonstrated our commitment to both preserving classical opera and pushing the boundaries of the art form for contemporary audiences.

We opened with Gothic Opera's fascinating production of Der Vampyre, featuring Heinrich Mathiesen's rarely performed work in a new arrangement by Kelly Lovelady. This was followed by a bold reinterpretation of La Boheme, a co-production by The Opera Makers and Arcola Theatre, which reimagined Puccini's classic as a modern tragedy exploring codependency and addiction.

Our commitment to developing new audiences was exemplified by Mr Punch at the Opera, which introduced young people to classical music and opera through Pergolesi's work. Ensemble OrQuesta then brought their expertise in 17th and 18th century opera to La Nozze di Figaro delivering a musically authentic interpretation that delighted audiences.

We also presented 555: Verlaine en Prison, a new opera by Green Opera exploring Paul Verlaine's turbulent life, which demonstrated our commitment to environmental sustainability in opera production. This was followed by the groundbreaking Plantation A, produced by Gratia Arts specifically for blind and visually impaired audiences. We concluded our season with Barefoot Opera's fresh deconstruction of La Traviata, which brought new perspectives to Verdi's beloved work.

Arcola Theatre Production Company

Trustees' Report

Arcola Participation

This year has seen the department develop outreach projects with Hackney Migrant Centre and Islington Migrant Centre with the Refugee and Migrant Community group. The Hackney Council funded Black History Month project spearheaded the response work for Arcola's production of 54:60 Africa, hosting 64 attendees at workshops and engaging local people from the African diaspora in creative workshops. With a grant of £12,515 from Westfields Foundation for Future London, Participation ran an extensive project with and for our Queer Collective members. We reached new participations and made new collaborations with queer groups from Newham, Waltham Forest and Tower Hamlets.

We have continued to run Arcola Youth Theatre, Arcola 50+, Arcola Refugee Community Company, Arcola Mental Health Company and Arcola Queer Collective. Through our inhouse workshops we have engaged with over 250 people providing theatre skills and training. The projects commence with a festival in April 2025. The dynamic artists who run these community groups and the dedicated participants who take part, continue to bring an important cross section of society and our community into our building, offering free opportunities for our community.

Arcola LAB

We allocated 24 weeks of free R&D space and rehearsal space for LAB in 2024/2025 to 21 ethnically diverse theatre companies to develop their creative practice. One beneficiary of this programme was Corey Bovell who developed his play 32 Peak Street through Arcola LAB, that we are considering programming in 2026/2027. Another beneficiary was Clarisse Makundul, whose play is also being considered for a full production in 2026/2027.

Arcola Theatre Production Company

Trustees' Report

Financial review

a. Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment.

Arts Council of England investment and future activity:

Arts Council England (ACE) announced an extension of the current National Portfolio Organisation (NPO) Programme to 31 March 2027, and confirmed in June 2025 that Arcola Theatre would continue to be in the portfolio for the extension year. In July 2025 a further extension to 31 March 2028 was announced, with a straightforward application process to open at the start of 2026. Fundraising from other sources continues to grow year-on-year.

Plans for the year ahead include

Our plans for 2025-2026 include programming 21 shows across Studio 1 and Studio 2, as well as 10 operas for Grimeborn 2025. These include 11 in-house productions (4 of which are co-productions).

We'll continue to support emerging artists through our Arcola LAB scheme, which gives artists from the Global Majority access to free rehearsal space to develop their craft.

Community companies currently include: Mental Health Company, Arcola 50+, Queer Collective and SAWA, the refugee and migrant company introduced in 2023 (in partnership with refugee specialists). Arcola Youth Theatre will continue to run three groups for young people. These community companies will stage their work in Studio 2 over a two-week Participation festival in March 2026.

Arcola Academy will continue to provide professional training to 16-25 year olds in technical theatre and performance skills.

Our outreach work with local schools continues to grow, through workshops, tours and free tickets to see the professional shows here at Arcola.

Based on these assessments and having regard to the resources available to the Charity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the Annual Report and financial statements.

b. Reserves policy

The Trustees believe the most appropriate level of free reserves required by the Charity to sustain it in the event of the Charity not receiving grants and other incoming resources is £250,000. This will not allow standard-scale productions to be staged and would require skeleton (cost-neutral) programming.

The year-end unrestricted funds of £192,887 (2024 - £225,804) include fixed assets of £127,947, leaving £64,940 as free reserves. This represents 26% of the target level of £250k.

Arcola Theatre Production Company

Trustees' Report

c. Material investments policy

The Charity has no financial investments. Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish.

d. Principal funding

Arcola Theatre is a National Portfolio Organisation of Arts Council England, providing circa 20% of income. There are no other significant funders, with the majority of the balance of funds being earned from charitable activities.

e. Pricing policy

Tickets are priced to maximise revenues without losing access for all. This was achieved through competitive pricing, with a wide range of discounts for target and under-represented groups. Charges are applied for Participation programme participants with bursaries for those less able to pay.

f. Fundraising

The Trustees have considered the implications of the Charities (protection and social investment) Act 2016 in relation to fundraising activities. The Act aims to protect the public, particularly the vulnerable, from inappropriate fundraising approaches. The primary scope of the Act is "commercial participators" and "professional fundraisers", which refers to commercial organisations engaged by larger charities to engage in direct fundraising from individuals via for example mail, phone and face to face. Since Arcola Theatre does not engage any of these types of organisation there is no direct impact. We have however reviewed our in-house activities in the spirit of the Act and concluded that there are no issues which we need to address.

Structure, governance and management

a. Constitution

Arcola Theatre Production Company Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

c. Organisational structure and decision-making policies

The Board of Trustees administers the Charity. Board normally meets quarterly, addressing all aspects of the charitable operations including programming, development, quality & safety, finance and audit.

The Executive Producer, has delegated authority, within terms of delegation provided by the Trustees, for operational matters including finance, employment and artistic performance related activity.

Charitable activities are structured into departments, each having a Manager, working to a Business Plan which includes detailed plans for all business activities. These plans cascade organisational objectives and Key Performance Indicators through departments to individual staff job descriptions.

Arcola Theatre Production Company

Trustees' Report

Plans are developed with input from all staff, Trustees, artists, participants, volunteers and advisors. Plans and associated budgets are reviewed and approved by the Board of Trustees through regular meetings. Additional advice and oversight is provided via Arts Council England National Portfolio management systems.

d. Policies adopted for the induction and training of Trustees

Upon declaration of their interest to be a Trustee, a new Trustee receives the Charity's governing documents, most recent Financial Report and Management Accounts. They meet with the Chair and Senior Management Team for briefing on the organisation and the responsibilities of Trustees.

New Trustees are provided with the Charity's governing documents, minutes of previous meetings and current business plans. They meet the Chair and senior managers for briefing on the objectives, values, ethos, programme and day-to-day activities of the organisation. New Trustees and existing Trustees are provided with up-to-date information on the responsibilities of Trustees and associated best practice, drawing resources provided by Charity Commission and other professional organisations supporting charities.

e. Pay policy for key management personnel

Senior staff pay is approved by Trustees. Rates of pay are benchmarked against peer organisations.

f. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Arcola Theatre Production Company

Trustees' Report

Trustees and officers

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

Trustees:

Gabriel Gbadamosi
Andrew Cripps, (Chair of Trustees)
Ben Todd
Abdullah Tercanli
Naz Yeni
Graham Cooley (appointed 17 April 2025)

Senior Management / Leadership Team: Mehmet Ergen, Executive Artistic Director
Leyla Nazli, Deputy Artistic Director & Executive Producer

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 22 December 2025 and signed on its behalf by:



.....
Ben Todd
Trustee

Arcola Theatre Production Company

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Arcola Theatre Production Company for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 22 December 2025 and signed on its behalf by:



.....
Ben Todd
Trustee

Arcola Theatre Production Company

Independent Auditor's Report to the Members of Arcola Theatre Production Company

Opinion

We have audited the financial statements of Arcola Theatre Production Company (the 'charity') for the year ended 31 March 2025, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Arcola Theatre Production Company

Independent Auditor's Report to the Members of Arcola Theatre Production Company

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 matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where 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 trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor responsibilities for the audit of the financial statements

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

Arcola Theatre Production Company

Independent Auditor's Report to the Members of Arcola Theatre Production Company

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

- Enquiry of management, those charged with governance around actual and potential litigation and claims
- Reviewing minutes of meetings of those charged with governance
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Performing audit work over risk of management override of controls, including testing of journal entries and other adjustments for appropriateness.

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.

Use of our report

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



.....
Lee Baker FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend, Statutory Auditor

30 St Giles'
Oxford
OX1 3LE

22 December 2025

Arcola Theatre Production Company

Statement of Financial Activities for the Year Ended 31 March 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
Income and Endowments from:				
Donations and legacies	3	386,095	326,652	712,747
Charitable activities	4	798,325	-	798,325
Other trading activities	5	49,064	-	49,064
Total income		<u>1,233,484</u>	<u>326,652</u>	<u>1,560,136</u>
Expenditure on:				
Charitable activities	6	<u>(1,293,437)</u>	<u>(305,802)</u>	<u>(1,599,239)</u>
Total expenditure		<u>(1,293,437)</u>	<u>(305,802)</u>	<u>(1,599,239)</u>
Net (expenditure)/income		(59,953)	20,850	(39,103)
Transfers between funds		<u>27,036</u>	<u>(27,036)</u>	<u>-</u>
Net movement in funds		(32,917)	(6,186)	(39,103)
Reconciliation of funds				
Total funds brought forward		<u>225,804</u>	<u>1,689,961</u>	<u>1,915,765</u>
Total funds carried forward	18	<u><u>192,887</u></u>	<u><u>1,683,775</u></u>	<u><u>1,876,662</u></u>

The notes on pages 19 to 32 form an integral part of these financial statements.

Arcola Theatre Production Company

Statement of Financial Activities for the Year Ended 31 March 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	355,419	166,773	522,192
Charitable activities	4	658,648	-	658,648
Other trading activities	5	46,984	-	46,984
Total income		<u>1,061,051</u>	<u>166,773</u>	<u>1,227,824</u>
Expenditure on:				
Charitable activities	6	<u>(985,051)</u>	<u>(286,126)</u>	<u>(1,271,177)</u>
Total expenditure		<u>(985,051)</u>	<u>(286,126)</u>	<u>(1,271,177)</u>
Net income/(expenditure)		<u>76,000</u>	<u>(119,353)</u>	<u>(43,353)</u>
Net movement in funds		76,000	(119,353)	(43,353)
Reconciliation of funds				
Total funds brought forward		<u>149,804</u>	<u>1,809,314</u>	<u>1,959,118</u>
Total funds carried forward	18	<u><u>225,804</u></u>	<u><u>1,689,961</u></u>	<u><u>1,915,765</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 19 to 32 form an integral part of these financial statements.

Arcola Theatre Production Company

(Registration number: 05242988)
Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	1,669,899	1,757,028
Current assets			
Debtors	13	392,040	149,659
Cash at bank and in hand	14	<u>177,873</u>	<u>200,366</u>
		569,913	350,025
Creditors: Amounts falling due within one year	15	<u>(361,381)</u>	<u>(179,057)</u>
Net current assets		<u>208,532</u>	<u>170,968</u>
Total assets less current liabilities		1,878,431	1,927,996
Creditors: Amounts falling due after more than one year	16	<u>(1,769)</u>	<u>(12,231)</u>
Net assets		<u>1,876,662</u>	<u>1,915,765</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	18	1,683,775	1,689,961
Unrestricted income funds			
Unrestricted funds		<u>192,887</u>	<u>225,804</u>
Total funds	18	<u>1,876,662</u>	<u>1,915,765</u>

The financial statements on pages 15 to 32 were approved by the trustees, and authorised for issue on 22 December 2025 and signed on their behalf by:



.....
Ben Todd
Trustee

The notes on pages 19 to 32 form an integral part of these financial statements.

Arcola Theatre Production Company

Statement of Cash Flows for the Year Ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash expenditure		(39,103)	(43,353)
Adjustments to cash flows from non-cash items			
Depreciation		<u>148,758</u>	<u>145,201</u>
		109,655	101,848
Working capital adjustments			
(Increase)/decrease in debtors	13	(242,381)	24,725
Increase/(decrease) in creditors	15	<u>182,066</u>	<u>(11,415)</u>
Net cash flows from operating activities		49,340	115,158
Cash flows from investing activities			
Purchase of tangible fixed assets	12	(61,629)	-
Cash flows from financing activities			
Repayment of loans and borrowings	15	<u>(10,204)</u>	<u>(9,952)</u>
Net (decrease)/increase in cash and cash equivalents		(22,493)	105,206
Cash and cash equivalents at 1 April		<u>200,366</u>	<u>95,160</u>
Cash and cash equivalents at 31 March		<u><u>177,873</u></u>	<u><u>200,366</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 19 to 32 form an integral part of these financial statements.

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

24 Ashwin Street
London
E8 3DL

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Arcola Theatre Production Company 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. The financial statements are presented in Sterling which is the functional currency of the charity and rounded to the nearest £1.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates or assumptions that are considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

Income and endowments

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

Donations and legacies

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it 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.

Grants receivable

Grants are included in the Statement Of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gift aid

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives. as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Taxation

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

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life, using the straight line method as follows:

Asset class	Depreciation method and rate
Plant & machinery	20% to 50% on cost
Computer equipment	20% on cost
Long-term leasehold property	4% to 20% on cost

Trade debtors

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

Cash and cash equivalents

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

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Pensions and other post retirement obligations

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

Financial instruments

Classification

The Charity holds basic financial instruments. The financial assets and financial liabilities Of the Charity are as follows:

Debtors - trade and Other debtors (including accrued income) are basic financial instruments and a debt instruments measured at amortised cost as detailed in Note 13. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at cost.

Liabilities - trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in Notes 15 and 16. Taxation and social security are included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Donations	53,602	16,445	70,047
Grants, including capital grants;			
Grants from other charities	332,493	310,207	642,700
Total for 2025	<u>386,095</u>	<u>326,652</u>	<u>712,747</u>
Total for 2024	<u>355,419</u>	<u>166,773</u>	<u>522,192</u>

4 Income from charitable activities

	Unrestricted funds General £	Total funds £
Professional Theatre	579,074	579,074
Talent Development	15,418	15,418
Theatre Tax Credits	203,833	203,833
Total for 2025	<u>798,325</u>	<u>798,325</u>
Total for 2024	<u>658,648</u>	<u>658,648</u>

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

5 Income from other trading activities

	Unrestricted funds General £	Total 2025 £
Venue operation	49,064	49,064
	<u>49,064</u>	<u>49,064</u>
	Unrestricted funds General £	Total 2024 £
Venue operation	46,984	46,984
	<u>46,984</u>	<u>46,984</u>

6 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total funds £
Professional Theatre	1,250,054	272,842	1,522,896
Talent Development	39,705	19,820	59,525
Venue Operation	3,678	13,140	16,818
Total for 2025	<u>1,293,437</u>	<u>305,802</u>	<u>1,599,239</u>
Total for 2024	<u>985,051</u>	<u>286,126</u>	<u>1,271,177</u>
	Unrestricted funds General £	Restricted funds £	Total 2024 £
Professional Theatre	925,612	255,236	1,180,848
Talent Development	45,517	20,784	66,301
Venue Operation	13,922	10,106	24,028
	<u>985,051</u>	<u>286,126</u>	<u>1,271,177</u>

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

	Activity undertaken directly £	Activity support costs £	Total expenditure £
Professional Theatre	1,140,678	382,218	1,522,896
Talent Development	54,341	5,184	59,525
Venue Operation	321	16,497	16,818
Total for 2025	<u>1,195,340</u>	<u>403,899</u>	<u>1,599,239</u>
Total for 2024	<u>837,590</u>	<u>433,587</u>	<u>1,271,177</u>

7 Analysis of support costs

	Total 2025 £	Total 2024 £
Depreciation	148,759	145,201
Front of House	55,594	54,387
Comms and Marketing	116,251	55,472
Technical Services	5,656	1,363
Governance Costs	10,000	20,000
Utilities	18,521	30,860
Insurance	8,186	6,839
Telecomms	5,001	2,591
Professional Fees	11,521	47,351
Bank Interest	444	696
Memberships	4,967	4,487
Office and Admin	25,735	19,795
Premises Costs	43,050	44,545
Bad Debt	(49,786)	-
	<u>403,899</u>	<u>433,587</u>

8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2025 £	2024 £
Audit fees	<u>16,620</u>	<u>20,000</u>

9 Trustees remuneration and expenses

Expenses paid to or waived by the trustees during the year totalled £Nil (2024 - £Nil).

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

10 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	480,883	430,942
Social security costs	39,298	30,158
Pension costs	17,064	13,903
	<u>537,245</u>	<u>475,003</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2025 No	2024 No
Full time staff	10	10
Equivalent full time staff from casual worker pool	3	4
	<u>13</u>	<u>14</u>

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. At the year end £2,538 (2024 - £2,181) was payable to the fund and has been included in Creditors falling due within one year.

The number of employees whose emoluments fell within the following bands was:

	2025 No	2024 No
£60,001 - £70,000	-	1
£70,001 - £80,000	<u>1</u>	<u>-</u>

The total employee benefits of the key management personnel of the charity were £146,177 (2024 - £138,759). The Charity considers its key Management Personnel to be the Trustees, the Executive Artistic Director and the Deputy Artistic Director & Executive Producer.

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

12 Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Total £
Cost			
At 1 April 2024	3,304,570	62,592	3,367,162
Additions	<u>24,056</u>	<u>37,573</u>	<u>61,629</u>
At 31 March 2025	<u>3,328,626</u>	<u>100,165</u>	<u>3,428,791</u>
Depreciation			
At 1 April 2024	1,580,178	29,956	1,610,134
Charge for the year	<u>133,095</u>	<u>15,663</u>	<u>148,758</u>
At 31 March 2025	<u>1,713,273</u>	<u>45,619</u>	<u>1,758,892</u>
Net book value			
At 31 March 2025	<u>1,615,353</u>	<u>54,546</u>	<u>1,669,899</u>
At 31 March 2024	<u>1,724,392</u>	<u>32,636</u>	<u>1,757,028</u>

Included within the net book value of land and buildings above is £Nil (2024 - £Nil) in respect of freehold land and buildings and £1,615,353 (2024 - £1,724,392) in respect of leaseholds.

Restriction on title and pledged as security

Leasehold improvements with a carrying amount of £1,615,353 (2024 - £1,724,392) has the following restriction on title:

The long-term leasehold property is subject to a charge in favour of The Arts Council England.

13 Debtors

	2025 £	2024 £
Trade debtors	11,000	8,514
Prepayments	35,313	20,310
Accrued income	8,137	11,300
Other debtors	<u>337,590</u>	<u>109,535</u>
	<u>392,040</u>	<u>149,659</u>

14 Cash and cash equivalents

	2025 £	2024 £
Cash at bank	<u>177,873</u>	<u>200,366</u>

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Bank loans	10,462	10,204
Trade creditors	55,257	43,944
Other taxation and social security	11,768	9,132
Other creditors	215,921	73,075
Accruals	67,973	42,702
	<u>361,381</u>	<u>179,057</u>

	2025 £	2024 £
Deferred income at 1 April 2024	32,469	48,617
Resources deferred in the period	67,767	32,469
Amounts released from previous periods	<u>(32,469)</u>	<u>(48,617)</u>
Deferred income at year end	<u>67,767</u>	<u>32,469</u>

Deferred income comprises grants where the resources were not applied to charitable purposes until subsequent to the year-end and studio hire paid in advance.

16 Creditors: amounts falling due after one year

	2025 £	2024 £
Bank loans	<u>1,769</u>	<u>12,231</u>

17 Pension and other schemes

Defined contribution pension scheme

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the to the scheme and amounted to £17,064 (2024 - £13,902).

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

18 Funds

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2025 £
Unrestricted funds					
<i>General</i>					
General Fund	225,804	1,233,484	(1,293,437)	27,036	192,887
Restricted funds					
Capital Fund	1,626,175	-	(136,004)	51,783	1,541,954
Participation	18,792	12,448	(17,001)	-	14,239
Artistic Programming	15,195	88,500	(63,850)	(12,295)	27,550
Joseph Rowntree Charitable Trust	58	49,972	(21,821)	-	28,209
Green Arcola	14,741	-	-	(14,741)	-
Facilities	15,000	30,000	(9,774)	(18,360)	16,866
Digital accelerator	-	145,732	(57,352)	(33,423)	54,957
Total restricted funds	<u>1,689,961</u>	<u>326,652</u>	<u>(305,802)</u>	<u>(27,036)</u>	<u>1,683,775</u>
Total funds	<u><u>1,915,765</u></u>	<u><u>1,560,136</u></u>	<u><u>(1,599,239)</u></u>	<u><u>-</u></u>	<u><u>1,876,662</u></u>

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
Unrestricted funds				
General				
General Fund	149,804	1,061,051	(985,051)	225,804
Restricted				
Capital Fund	1,757,432	-	(131,257)	1,626,175
Participation	4,992	35,009	(21,209)	18,792
Artistic Programming	14,295	112,496	(111,596)	15,195
Joseph Rowntree Charitable Trust	17,854	-	(17,796)	58
Green Arcola	14,741	-	-	14,741
Facilities	-	15,000	-	15,000
Digital accelerator	-	4,268	(4,268)	-
Total restricted funds	<u>1,809,314</u>	<u>166,773</u>	<u>(286,126)</u>	<u>1,689,961</u>
Total funds	<u><u>1,959,118</u></u>	<u><u>1,227,824</u></u>	<u><u>(1,271,177)</u></u>	<u><u>1,915,765</u></u>

The specific purposes for which the funds are to be applied are as follows:

The Capital fund relates to restricted funding used for capital expenditure. The balance represents the value of restricted tangible fixed assets.

The Participation fund represents restricted funding received for community engagement activities, with the balance to be spent in the future.

The Artistic Programming fund represents restricted funding received for theatrical activities, with the balance to be spent in the future.

The Joseph Rowntree Charitable trust represents a restricted grant awarded to develop a new musical, "The Shadow World," with the balance to be spent in the future.

The Green Arcola fund represents restricted funding for a local environmental project that is no longer active, and negotiations are ongoing with the funder regarding future use of balance.

The Facilities fund relates to restricted funding intended for capital expenditure, which when utilised is transferred to the Capital fund.

The Digital accelerator fund represents a restricted grant from Bloomberg Philanthropies to invest in strategic improvements to technology infrastructure.

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

19 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2025 £
Tangible fixed assets	127,947	1,541,952	1,669,899
Current assets	427,689	142,225	569,914
Current liabilities	(360,980)	(402)	(361,382)
Creditors over 1 year	(1,769)	-	(1,769)
Total net assets	<u>192,887</u>	<u>1,683,775</u>	<u>1,876,662</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2024 £
Tangible fixed assets	130,855	1,626,173	1,757,028
Current assets	286,237	63,788	350,025
Current liabilities	(179,057)	-	(179,057)
Creditors over 1 year	(12,231)	-	(12,231)
Total net assets	<u>225,804</u>	<u>1,689,961</u>	<u>1,915,765</u>

20 Analysis of net funds

	At 1 April 2024 £	Financing cash flows £	At 31 March 2025 £
Cash at bank and in hand	200,366	(22,493)	177,873
Debt due within one year	(10,204)	(258)	(10,462)
Debt due after more than one year	(12,231)	10,462	(1,769)
Net debt	<u>177,931</u>	<u>(12,289)</u>	<u>165,642</u>
	At 1 April 2023 £	Financing cash flows £	At 31 March 2024 £
Cash at bank and in hand	95,160	105,206	200,366
Debt due within one year	(8,428)	(1,776)	(10,204)
Debt due after more than one year	(23,959)	11,728	(12,231)
Net debt	<u>62,773</u>	<u>115,158</u>	<u>177,931</u>

Arcola Theatre Production Company

Notes to the Financial Statements for the Year Ended 31 March 2025

21 Related party transactions

During the year the charity made the following related party transactions:

As at 31st March 2025, the Charity was due £135,385 (2024: £185,385) from Arcola Theatre Limited.

Donations received from Trustees during the year totalled £21,000 (2024: £Nil)

During the year the Charity accounted for an accrual of £10,031 from Demse Technical Services, a company owned by one of the Trustees]t the balance sheet date the amount due[to][Demse Technical Serviceswas [£10,031([2024- [£Nil] [