

**Company number 06737326**  
**Charity number 1130255**

**Hofesh Shechter Company Limited**

**(Limited by Guarantee)**

**Report and Financial Statements**

**for the year ended 31 March 2021**

**Breckman & Company Ltd**  
**Chartered Certified Accountants**  
**49 South Molton Street**  
**London W1K 5LH**

# **Hofesh Shechter Company Limited**

**(Limited by Guarantee)**

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## **Hofesh Shechter Company Limited**

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### **Reference and Administrative Details**

#### **Constitution**

The Company is a private company limited by guarantee registered in EW - England and Wales, Company number 06737326 and its governing document is the Memorandum and Articles of Association. The Company is a registered charity, number 1130255.

#### **Directors and trustees**

The Directors of the charitable Company ("The Company") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees during the year and since the year end, were :

Theresa Beattie	
Chui-Yee Cheung	appointed 6 September 2021
Steven Fogel	
Jason Gonsalves	
Jonathan Kanagasooriam	
Gerard Lemos (Chair)	
Martine Simmonds	

#### **Secretary**

Colette Stocks (nee Hansford)

#### **Executive Director/Producer**

Colette Stocks (nee Hansford)

#### **Artistic Director**

Hofesh Shechter

#### **Auditors**

Breckman & Company Ltd, Chartered Certified Accountants, 49 South Molton Street, London W1K 5LH.

#### **Bankers**

Lloyds TSB Bank plc, 10 Booth Street, Manchester M2 4AW.  
Virgin Money plc, Jubilee House, Gosforth, Newcastle upon Tyne NE3 4PL.  
Hampshire Trust Bank, 55 Bishopsgate, London EC2N 3AS.  
TransferWise, The Tea Building, 56 Shoreditch High Street, London E1 6JJ.

#### **Registered office**

New Wing, Somerset House, Strand, London WC2R 1LA.

## **Hofesh Shechter Company Limited**

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### **Trustees' Report**

The Trustees present their report together with the financial statements of the charity for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The reference and administrative details set out on page 1 forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and 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).

The Trustees confirm that in shaping their objectives for the year and planning their activities, they have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)'. They are satisfied that the Company's activities are fully compliant with that guidance.

#### **Chairman's Statement**

2020-21 was a year of unprecedented challenge overcome by remarkable achievement.

In March 2020, COVID-19 forced the closure of theatres globally resulting in the cancellation or postponement of two Hofesh Shechter Company (HSC) creations and an extensive UK and international touring programme. The financial impact was devastating on our income streams in a year of 130 planned performances, however the swift response and difficult decisions taken by the executive team, supported by the expertise of our board of trustees, ensured the company's sustainability.

With the company firmly established as a leader of artistic excellence and a producer of ambitious world-class artistic and participatory experiences, it was important to retain the expertise of our creative team at this time. Without losing sight of our original ambitions, we developed an artistic response that not only stretched our creative practice but also kept audiences and communities connected to our work.

Notable successes included Hofesh Shechter directing and shooting his second short film POLITICAL MOTHER: The Final Cut with our Shechter II 2020 cohort at Battersea Arts Centre; a collaboration with French Director Cédric Klapisch on Klapisch's new dance feature film En Corps, starring 16 Company dancers and musicians of Hofesh Shechter Company; a co-production with Royal Danish Theatre, LIGHT: Bach dances - announced as winner of the FEDORA-VAN CLEEF & ARPELS Prize for Ballet 2020; and a far reaching live stream and digital learning programme. Overall we engaged 85 freelancers and staff, produced 7 collaborative works, delivered all our dance classes and learning work digitally to maintain dancers' fitness and keep participants moving, and reached over 1.6million people online - all testament to the 'pandemic reduced' visionary team.

Hofesh's artistic response during the pandemic was also evident through new commissions, restagings, co-productions, live-streams, interviews, online events and appearances. He was also a vocal champion for increased diverse representation in the dance sector, leading internal and external discussions. Alongside him, Colette Hansford was a vocal lobbyist for a sector facing Covid-19 and an undetermined Brexit trade deal, contributing to task forces and interviews offering the perspective of a major touring producer and UK exporter of world-class excellence.

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### **Trustees' Report**

The latter part of the year saw a transition period with Henny Finch, Executive Director leaving the company in December 2018 to become Executive Producer of the Donmar Warehouse and the appointment of founder Administrative Director Colette Hansford, following a highly competitive worldwide process, to the role of Executive Producer. Leadership of the company during the transition period was supported by Trustee, Theresa Beattie who stepped down from the Board to become part-time interim Executive Producer. There were no financial or reputational risks to the company during this period and we are delighted with the outcomes for the year.

With only 20% of our pre-pandemic turnover derived from Arts Council England NPO core funding, we are extremely grateful to our many partners and supporters, in particular ACE and DCMS, Trusts and Foundations, individual donors, corporate partners, and (co)commissioners, who believed in us, supported us at a critical moment, enabling us to overcome an extraordinarily difficult year and continue to make and share work of the highest quality. My personal thanks also go to my fellow Trustees for their commitment and leadership and to the Hofesh Shechter Company team who in many cases worked above and beyond to navigate successfully through the past 12 months.

### **OBJECTIVES, AIMS AND ACTIVITIES**

#### **Our Charitable Objectives**

1. To advance the arts and culture for the benefit of the general public by promoting in the UK and internationally modern dance and other art forms including without limitation films and music with particular but not exclusive reference to touring performances and to the work of Hofesh Shechter; and
2. To advance the education of young people, dance practitioners and the general public with particular reference to the artistic work of the Charity and particularly but not exclusively through the provision of workshops, classes and performances.

### **ACHIEVEMENTS AND PERFORMANCE**

#### **Activities during 2020-21:**

##### **Artistic programme and audience development:**

The influence and impact of our artist delivery is global from grassroots to digital and stage. Under the artistic vision of Hofesh Shechter we produce dance films and ambitious live productions, create scalable UK and international touring works; develop the next generation of exceptional dancers and bring dance to young people and communities across the UK and world.

At the start of 2020, our Grand Finale tour had reached over 123,000 audiences since its 2017 premiere; our new touring production Double Murder was in creation and we had launched, Shechter II as a biennial paid employment and training programme for developing and showcasing the next generation of exciting, young, contemporary dance artists.

By March 2020, with travel restrictions imminent, it was clear our national and international programme and the safety of our working team were at risk. We made the quick decision to cease work and send our dancers, freelancers and staff home to their families before an impending lockdown and the closure of borders - supporting them financially to the best of our ability while incurring losses to our income of c.£1m. Fortunately, before the first lockdown we were able to conclude the creation of our touring production of POLITICAL MOTHER UNPLUGGED by Shechter II and complete 9 weeks out of 14 planned creation weeks for our new main company production.

## Hofesh Shechter Company Limited

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### Trustees' Report

With international touring no longer possible, our priorities over this 12-month period have centred on dancers' health and wellbeing, staff and freelancers' salaries and an artistic response that would keep audiences and communities connected. Through a 4-stage '4R' recovery plan the Board and executive responded quickly, reduced overheads, furloughed some staff and all dancers, secured emergency funding, and adapted effectively with a hybrid programme including the creation of high quality and ambitious live stage, film and digital work, at times with a skeleton team.

The following activity was made possible thanks to ACE's Emergency Recovery Funding, the DCMS's Cultural Recovery Funds, Esmée Fairbairn Foundation's Fast Response Grant and BNP Paribas Foundation's Covid support grant along with the support of our individual donors.

#### Digital and film

In 2020/21 we reached digital audiences of over 1.6 million through, screenings, live streams, on demand, online and via social media in comparison to the 91,000 reached in 2019/20.

We staged a takeover of Sadler's Wells Digital Stage and launched its new series of collaborations, Digital Stage In Focus. During Sadler's Wells x Hofesh Shechter Company, we screened an audio described digital capture of our touring production, Grand Finale, made available for free on demand via Facebook and YouTube for 8 days and watched by 675,000 people. We accompanied the programme with a series of on-demand, open caption workshops for both dancers and participants of all ages that was experienced by 39,000 people worldwide.

Our first 'live' film, Hofesh Shechter's Untitled, streamed for free from the Lanterns Studio Theatre, London to worldwide audiences. This 10-minute short - a new version of Hofesh's 2005 solo Untitled performed by Rachel Fallon - was filmed within a custom built 'light box' created from four screens onto which images of audiences attending via a Zoom meeting were projected.

*"Untitled is a piece of art which wouldn't feel out of place in the Tate Modern. It combines dance and digital sculpture in a way that harnesses current events to explore timeless themes of life. We are alone, yet we are together." The Upcoming*

*"..a reminder of what dance is: a personal and poetic statement from the choreographer that means even more with all those Zoom-watchers." British Theatre Guide*

Our Clowns film, commissioned in 2018 by the BBC as part of the Performance Live strand - a partnership between BBC Arts, Arts Council England and Battersea Arts Centre - was re-released on BBC iPlayer and screened at or selected for 15 festivals or venues including FIFA in Montreal, reaching audiences worldwide, from Mexico to Panama, and won Best International Short Film at the Choreoscope International Dance Film Festival of Barcelona. It was also broadcast via channels in the UK, Sweden, Portugal, the US.

Shechter's work as a filmmaker evolved and strengthened during this period. During November's lockdown he took up his position behind the camera for the first time, to direct and shoot his second short POLITICAL MOTHER: The Final Cut with Shechter II, produced by Hofesh Shechter Company at Battersea Arts Centre. He also worked with French director Cédric Klapisch on a new dance feature film En corps, as choreographer, cast member with our Company dancers and co-composer of the film score alongside Thomas Bangalter, formerly one half of electronic music duo Daft Punk.

## Hofesh Shechter Company Limited

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#### Trustees' Report

POLITICAL MOTHER UNPLUGGED performed by Shechter II, was live streamed for free to 16,000 worldwide audiences from Théâtre de la Ville: Théâtre des Abbesses over 8 performances.

*"Political Mother has not aged one bit. It even finds a new modernity with these young performers, who are all excellent." Jean-Frédéric Saumont, Danses avec la plume*

*"A big YES to all the dancers and people that are making this possible with/for them!!! Definitely one of the most impressive livestreams I've seen in these times." Digital audience member*

*"Theatre of the world, theatre without borders! Much needed in this period." Digital audience member*

#### Creation and stage productions

Shechter's solo stage version of Untitled, originally created in 2005 for Bare Bones, produced by DanceXchange, was presented at Torinodanza festival from 2018-19 September - replacing our commissioned ensemble work and supporting their funding bid for the 2021 festival.

Our dancers returned to the studio in the autumn to complete the creation of our new double bill touring programme, Double Murder, reworking and introducing new sections to The Fix and Clowns that responded to the global context. Unfortunately the pandemic continued to present issues for the final production period pushing its world premiere to late 2021.

LIGHT: Bach dances, our major new co-production with the Royal Danish Theatre and Opera was announced as winner of the FEDORA-VAN CLEEF & ARPELS Prize for Ballet 2020 in the autumn ahead of its premiere planned for 30 April 2021. Inspired by Bach's cantatas, this production features real-life testimony of people facing death, in a moving, thought-provoking and life-affirming dance, music and theatre piece designed by Tom Scutt and Paule Constable, with a cast of 41 performers, including Baroque orchestra Concerto Copenhagen conducted by Lars Ulrik Mortensen, 10 singers and 11 Hofesh Shechter Company dancers.

We supported 2 revivals of Hofesh's past repertory; The Royal Ballet (UK) performing a gala version of Untouchable; Royal Danish Ballet (Denmark) performing Uprising and a new online/stage production From England with Love commissioned by Nederlands Dans Theater 1 (Netherlands).

As well as growing audience numbers, our qualitative aims for audience development were focused on attracting first-time bookers and young people, with an average of 29% first-time bookers to our UK performances and 26% young people. This year all UK venues offered tickets at £12 or less plus group/schools incentives. For East Wall we offered 10% free tickets to least-engaged communities.

In 2020-21 even though we were only able to reach 2,776 live audiences (pre pandemic target 144,000) our digital and film audiences ensured we maintained Hofesh Shechter Company's position as a major exporter of best-quality British work.

#### Developing the next generation of emerging artists and cultural careers

##### **Shechter II**

In January 2020, we had begun our second Shechter II Development Programme providing young artists with salaried work and an extraordinary proximity to the workings and practices of a major international dance company, and the support that ensures heightened professional readiness.

## **Hofesh Shechter Company Limited**

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#### **Trustees' Report**

Six weeks into the programme, our 10 UK and international dancers had concluded a new version of Hofesh's celebrated masterpiece Political Mother to mark the 10th anniversary of the work. However, the planned tour (20 UK and 54 European performances) of the new work POLITICAL MOTHER UNPLUGGED - that included a brand new digital animation by Shay Hamias and a newly recorded score - was postponed due to the pandemic.

Over the 12-month period, we secured our Shechter II dancer salaries via the Job Retention Scheme, provided them with online dance and fitness classes and offered one-to-one catch ups to support wellbeing. In the autumn we further invested in expanding their skillset and professional readiness by immersing them in a series of opportunities - live streams, film work, stage productions, large scale creations, online teaching and delivering an outreach programme in Paris to bring the arts to disadvantaged groups. We also rescheduled their three-month tour to autumn 2021, retaining an important performance aspect of the scheme.

No work placements or mentorships were possible in this year.

#### **Public engagement and work in education**

Take Part is an integral part of our work woven through our national and international touring activity. The learning, engagement and development programme supports young dancers 14+ in both formal and informal learning settings to develop dance and performance skills via our workshops, intensives, CPD opportunities, teaching resources and Shechter II.

During this period with the support of ACE ERF and DCMS CRF we successfully tested various models of engagement and transferred most of our learning activity online offering some activity at subsidised prices to maximise access. We delivered a total of 53 sessions (mostly digital) reaching 8,935 participants. Activity included the following:

- Creation of three open captions workshops focussing on Hofesh's choreographic fundamentals and the repertory, Grand Finale.
- Training our dancers to deliver online teaching via Zoom and trialling a series of online intensives offered at a subsidised, reduced rate for a total of 724 participants and festival workshops extending as far as Panama.
- Online classes, residencies and restagings for conservatoires: The Julliard School, New York, Northern School of Contemporary Dance & The Place, UK, Alonzo Lines Ballet School, San Francisco and Korea University of the Arts, South Korea.
- Creation of online resources to support secondary dance education as teaching adapted online.

Rambert Grades - was also launched online with a new syllabus featuring work by Hofesh Shechter. We provided an online workshop for 14 Rambert dance teachers and professionals giving them training and skills to teach HSC repertoire as part of the course.

#### **Excellent terms and conditions**

The company provides equality of opportunity and equal treatment as an integral part of good practice ensuring nobody who works with us is discriminated against on any grounds including age, disability, race, sex, religion or cultural beliefs, gender, marital status and civil partnerships, sexual orientation, socio-economic status, pregnancy and maternity. We are committed to fair and equal pay free of bias and contract our fixed term artists under a house agreement with Equity advice from the Musicians' Union.



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#### **Trustees' Report**

We offer a mix of full-time employment and project-based contracts alongside pension contributions, enhanced schemes for maternity and paternity paid leave; sickness and injury leave; a bespoke Health and Wellbeing programme, and creative and professional development.

The Shechter II training programme delivered by our artistic team and experts in the profession, pays an apprentice salary equivalent to the national living wage for England, a relocation bursary and touring expenses (accommodation, travel and per diems).

All salaries are scrutinised by our annual remuneration committee and by the trustees. As a publicly funded organisation we conduct salary benchmarking, taking into account how salary levels are perceived by stakeholders and funders as well as ensuring they are affordable by the Charity.

In 2020-21, the government's Job Retention Scheme supported 6 staff and 20 artist salaries for the period April 20 - March 2021. Hofesh Shechter Company further supported 24 freelancers (musicians, Technicians and dancers) who were unable to find support through the SEISS scheme.

Throughout the 12-month period we engaged 85 freelancers and staff and in 2021-22 plan to include rebuilding our staffing levels with a strategic drive to increase the diversity of our workforce as well as ensure the safety of staff with hybrid working.

#### Increasing diversity

Celebrating diversity is very important to us; led by an artistic director who celebrates his Middle Eastern heritage, we embed diversity within our artistic vision and artistic programme, creating and presenting work that explores modern realities and themes including race, immigration and cultural identity, which resonate with wide-ranging audiences. Drawing from the indigenous folk traditions of our artistic director and company members, our work contains diverse musical influences that are reflective of, and relevant to wide-ranging audiences.

The company ensures consistent visible diversity on stage, providing powerful cultural and gender role models. We retain expertise through our excellent terms and conditions and work to maintain and continue to recruit a diverse workforce and Board. We believe we can do more and that change is needed sector-wide; we aim to train future leaders who have a strong commitment to diversity in all its forms.

As part of our work to implement change, Hofesh lead regular dialogue about diversity with the whole company and through internal focus groups, as well as initiating sector-wide conversations about training and pathways to improve representation in dance. This resulted in the announcement of a partnership with Northern School of Contemporary Dance as part of a joint commitment to increasing diversity and equal opportunities within the sector.

*"The relationship being developed with Hofesh Shechter Company and Northern School of Contemporary Dance has the potential to be exemplary and impactful for our young people and the wider dance sector."*  
Sharon Watson MBE, CEO and Principal of NSCD

We also began securing partnerships with The BRIT School & Amsterdam Academy of Theatre & Dance to progress this agenda.

We used our influence to widen casting in two major productions; in our co-production LIGHT: Bach dances casting more dancers so that 45% of our dancers were ethnically diverse (of a total of 11). We also working proactively with our Danish co-producer to cast musicians and singers of the global majority.

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We have begun worked with an EDI consultant to update our recruitment processes and policies to ensure our staff' and leadership reflects the diversity of our trustees, dancers seen on stage and communities we work within. Through this work we aim to improve the diversity of and career pathways into our sector, championing an open, inclusive and positive work environment for all.

#### **FUTURE PLANS**

Our plans in 2021/22 include:

Double Murder - premiere and tour of Shechter's new large-scale work to co-commissioning venues in London, France and Italy.

POLITICAL MOTHER UNPLUGGED - rescheduled mid-scale UK and European tour to Germany, Italy and France performed by Shechter II from September - December 21 including 12 performances in the UK and 19 internationally.

POLITICAL MOTHER: The Final Cut - UK premiere of Hofesh's new short film, directed and filmed by him at Battersea Arts Centre during lockdown.

Grand Finale - conclusion of existing tour to France with an anniversary presentation at Théâtre de la Ville: Théâtre Châtelet.

Shechter II 2022 - auditions for and the launch of the next Shechter II Programme including the creation and premiere of Contemporary Dance 2.0, a reworking of Hofesh 2019 creation for GöteborgsOperans Danskompani.

Professional and Educational restagings to include Uprising / In your rooms with Paris Opera Ballet.

Take part - continuation of our online/ in person workshops and resources building upon our 2020-21 programme, development of our NT connections commissioned work, alongside a strategic review of our overall programme and future focus.

All future plans are COVID-19 dependent and we will continue to liaise closely with international and UK partners as part of our scenario planning and risk management (see below).

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

The Company was incorporated on 30 October 2008 and is governed by its Memorandum and Articles of Association. It is a company Limited by Guarantee and has no share capital. The Company was registered as a Charity in England and Wales with the Charity Commission on 22 June 2009.

The Board of Trustees comprises individuals who bring not only high-level business experience and connections within the dance and visual arts sector, and a sensitive and experienced approach to running the company but also a passion for the work, its development and reach. Trustees' skills are audited annually and board development is discussed at quarterly meetings.

#### **Policies and procedures adopted for the appointment, induction and training of Trustees**

As set out in the Company's Memorandum and Articles of Association, new Trustees may be appointed by resolution of the current Trustees and shall retire from office at the third annual retirement meeting following the commencement of their term in office. Retiring Trustees may be re-appointed but a Trustee who has served more than two consecutive terms of office can only be re-appointed by unanimous resolution of the Trustees.

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### **Trustees' Report**

On appointment, Trustees are given the Company's Memorandum and Articles of Association, the business plan, ACE strategy and investment principles, board minutes, policies, financial management accounts, conflicts of interest policy and declaration; the terms of reference paper for new Trustees and the Charities Commission's Guidance for new Trustees. All new Trustees meet with the Chair and joint executive prior to commencement of their role to be briefed on their legal obligations under the charity and company law, the Charity Commission on public benefit, content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Company. They also meet key Company employees and other Trustees.

Trustees are responsible for the overall administration and governance of the Company in line with Charities Commission guidelines. Day to day operations of the Company are delegated to the joint executive team of Artistic Director and Executive Producer.

All Trustees give their time voluntarily and do not receive any form of remuneration or benefits from the Company.

#### Relationships between the Company and third parties

The Company has forged a range of relationships with charities and other third parties for the purpose of achieving its objectives. In particular, the Company is resident company of the Brighton Dome and Festival Ltd, is supported by Arts Council England as a National Portfolio Organisation (2018-2022) and in 2020/21 worked with a range of co-producers and commissioners to support its new work. Hofesh Shechter is an Associate Artist of Sadler's Wells.

#### Statement regarding major risks

Risk management is on-going and embedded in the management and operation of the Company. A robust understanding of its role within the sector plus awareness and mitigation plans support the Company's bold and ambitious strategy.

The Board's Finance sub-committee also closely monitors all aspects of the Company's finances including cash flow, income and expenditure risk, annual budgets, currency rate fluctuation and changes in the economic climate.

Since March 2020, a new risk arising from a global pandemic presented itself with Trustees and executive team monitoring its impact at regular intervals through Board and Finance meetings as required. A COVID-19 addendum to the risk register is in operation with arrangements for delegation, supervision and monitoring.

As of January 2021 the UK left the European Union and Colette Hansford has been engaged with sector task forces and other initiatives to represent the perspectives of a touring company and the importance of freedom of movement for performing artists and other financial implications post Brexit.

The Trustees confirm that, other than arising from COVID-19 and Brexit as reported upon above, there have been no serious incidents or other matters relating to the company over the financial year.

## **Hofesh Shechter Company Limited**

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### **Trustees' Report**

#### **FINANCIAL REVIEW**

The Statement of Financial Activities for the period is set out on page 16.

The Company is an Arts Council of England National Portfolio Organisation (NPO) operating within a mixed portfolio of income streams. Pre-pandemic, international activities represented the highest proportion of its turnover - 50% in 2019/20. Profit in this area subsidises the creation of new work, digital opportunities and delivery of UK performances and learning activity.

New Creations are completed across two financial years before worldwide touring. This cycle allows the company to generate UK and International co-commissioning support for the creations over 2 years and to work with artists and collaborators over a sustained period, nurturing their development and that of our artistic director to create productions that can reach a wider UK and international market.

In 2020/21 the Company, having lost over £1m in earned income due to cancelled or postponed performances, initiated cost-cutting measures that included maximising flexible furloughing wherever possible, the executive team taking a voluntary 20% pay cut from April - 31 October 2021, exercising pay restraint thereafter and focussing on maximising contributed income from its fundraising activity. Unfortunately, even with support of £292,422 from the HMRC's Job Retention Scheme (JRS), the Company was unable to avoid making 3 posts redundant but, was able to avoid further redundancies and shorter working contracts, as well as ensuring the safety of staff with hybrid working.

Overall, the Company maintained turnover comparable to 2019/20 by supporting salaries through the JRS scheme and raising funds of £525,712 from ACE emergency funding, the Department of Digital, Culture, Media and Sport's (DCMS) Cultural Recovery Fund (CRF) and other sources. Fundraised income represented an increase of 60% from 2019/20 and supported the company's 2020/21 charitable activities in a year where earned income from touring and other sources of revenue were significantly impacted due to global lockdowns, the closure of theatres and government travel restrictions. However, the Company, under the strong financial governance of its Trustees, successfully adapted its programmes and maintained its core artistic team alongside a global outward facing presence - achieving £438,582 in charitable earned income.

With carry forward reserves at £691,607 split into a general fund (including fixed assets) of £433,352 and designated reserves of £206,307, the Company can move forward in these uncertain times with free reserves of £411K in place - almost 12 weeks of operating reserves.

The Company has remained resilient under the strong governance of its Trustees and senior management team, applying stringent financial controls, scenario planning and rigorous financial management to sustain operations. There is a continued high risk to earned income generated from touring productions post Brexit and mid-pandemic and it will be necessary in 2021/22 to use reserves and source ongoing emergency funding combined with multi-year fundraising, while new income streams are developed. The Trustees and executive recognise that fundraising will become more competitive and earned income challenging in 2021/22 and shall continue to monitor and review scenario budget planning at quarterly or more frequent Board and Finance Committee meetings.

#### **Going Forward - 2020/21**

The Company's funding as an Arts Council of England National Portfolio Organisation is secured until March 2023.

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As is the case with all global arts organisations, there is an ongoing and present risk to the theatres and live stage delivery to large-scale audiences. The Company shall remain lean in its staffing structure and support and governance costs as it concludes two stage productions, distributes its film work and its online engagement programme. At the end of 2021, the Company is well placed with carry forward funds and budget in place to protect its ongoing business and, as far as is possible, the staff, freelancers and consultants who are at the core of delivery.

The Company has one bad debt going forward with American Company Brown Paper Tickets for income relating to its online delivery to the value of £7,104.

#### **Reserves**

The Trustees review the charity's reserve policy on a regular basis and following a risk-based assessment of the reserves requirement, determined that the charity should aim to achieve reserves of £415,000 (equivalent to at least 12 weeks of operating costs) by 31 March 2021.

At 31 March 2021 free reserves are £411,116 of net current assets plus £22,236 fixed assets, with £75,613 designated as a production reserve.

The Trustees continue to designate reserves under the following categories in order to fulfil the short term and strategic requirements of the Company.

Operational Reserve - an unrestricted reserve to safeguard against fluctuations of cash flow and other contingencies. Current value £433,352.

Production Reserve - an unrestricted designated reserve to safeguard against large-scale productions and/or projects. Current value £75,613.

In the addition to the above the Trustees have designated two reserves to achieve its new touring production and to protect against performance fee cancellations.

Designated Creation reserve 2020/21 - £130,642 used in full in 2021/22.

Designated COVID-19 Touring reserve - £52,000.

Should it be necessary, the organisation will draw on its reserves in emergencies with Board approval. In these instances, the trustees will then seek to rebuild the reserves.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of Hofesh Shechter Company Limited 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).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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 charitable company will continue in operation.

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### **Trustees' Report**

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

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

there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware; and

the trustees, having made enquiries of fellow directors and the charitable company's auditor that they ought to have individually taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Small company exemptions**

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

This report was approved by the Board of Trustees on 28 January 2022 and signed on its behalf by



**Gerard Lemos (Chair)**  
**Trustee**

## **Independent Auditors' Report to the Members of Hofesh Shechter Company Limited**

### **Opinion**

We have audited the financial statements of Hofesh Shechter Company Ltd (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

### **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 2021, 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's 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 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

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.

## **Independent Auditors' Report to the Members of Hofesh Shechter Company Limited**

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 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 trustees 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 and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 11 and 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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



## **Independent Auditors' Report to the Members of Hofesh Shechter Company Limited**

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

### **Use of our report**

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



**Mr Kevin Beale FCCA (Senior Statutory Auditor)**

**For and on behalf of Breckman & Company**

**Statutory Auditor**

**Chartered Certified Accountants**

49 South Molton Street  
London W1K 5LH

28 January 2022

**Hofesh Shechter Company Ltd (Limited by Guarantee)**

**Statement of Financial Activities (including Income and Expenditure Account)  
for the year ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total £	Unrestricted funds £	Restricted funds £	2020 Total £
<b>Income and endowments from:</b>	<b>2</b>						
Donations and legacies - page 17		1,208,494	-	1,208,494	598,717	-	598,717
Charitable activities							
Theatre - page 18		255,477	183,105	438,582	851,235	137,146	988,381
Investments		1,695	-	1,695	-	-	-
Other - page 18	<b>3</b>	20,484	-	20,484	70,667	-	70,667
<b>Total</b>		<u>1,486,150</u>	<u>183,105</u>	<u>1,669,255</u>	<u>1,520,619</u>	<u>137,146</u>	<u>1,657,765</u>
<b>Expenditure on:</b>							
Raising funds:							
Fundraising - page 19		69,577	-	69,577	80,324	-	80,324
Charitable activities:							
Theatre - page 19		1,049,464	183,105	1,232,569	1,359,868	137,146	1,497,014
<b>Total</b>		<u>1,119,041</u>	<u>183,105</u>	<u>1,302,146</u>	<u>1,440,192</u>	<u>137,146</u>	<u>1,577,338</u>
<b>Net movement in funds:</b>							
<b>Net income for the year</b>	<b>4</b>	367,109	-	367,109	80,427	-	80,427
<b>Reconciliation of funds:</b>							
<b>Total funds brought forward</b>		324,498	-	324,498	244,071	-	244,071
<b>Total funds carried forward</b>	<b>15, 16</b>	<u>691,607</u>	<u>-</u>	<u>691,607</u>	<u>324,498</u>	<u>-</u>	<u>324,498</u>

The notes on pages 23 to 32 form an integral part of these financial statements.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

**Hofesh Shechter Company Limited**

**(Limited by Guarantee)**

**Year ended 31 March 2021**

	<b>2021</b>		<b>2020</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income from donations and legacies</b>				
<b>Arts Council England grants</b>				
ACE - NPO Funding	390,360		383,307	
ACE - Emergency Response Fund	90,000		-	
ACE - Culture Recovery Fund	250,000		-	
	<u>          </u>	730,360	<u>          </u>	383,307
<b>COVID-19 grants</b>				
HMRC JRS funding	292,422		-	
	<u>          </u>	292,422	<u>          </u>	-
<b>Donations, Grants, Corporate, Trusts and Foundations</b>		185,712		215,410
		<u>1,208,494</u>		<u>598,717</u>

Income from donations, grants, trusts and foundations has been received from Esme Fairbairn Foundation, FEDORA Europe, Garfield Weston Foundation, The Harold Wyam Wingate Foundation, The Garrick Charitable Foundation and BNP Paribas Foundation and the Department of Digital, Culture, Media and Sport Culture Recovery Fund.

**Hofesh Shechter Company Limited**

**(Limited by Guarantee)**

**Year ended 31 March 2021**

	<b>2021</b>		<b>2020</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income from charitable activities</b>				
<b>Theatre</b>				
<b>Theatre income</b>				
Performance fees and workshops - UK	13,869		74,779	
Performance fees and workshops - Int'l	84,148		705,633	
Projects	154,429		55,812	
Other	3,031		15,011	
	<u>          </u>	255,477	<u>          </u>	851,235
 <b>Restricted fund income</b>				
Various funding - note 16 (page 30)		183,105		137,146
		<u>183,105</u>		<u>137,146</u>
		<u>438,582</u>		<u>988,381</u>
 <b>Investment income</b>				
Bank interest		1,695		-
		<u>1,695</u>		<u>-</u>
 <b>Other income</b>				
Theatre Tax Relief (TTR)		20,484		70,667
		<u>20,484</u>		<u>70,667</u>
		<u>20,484</u>		<u>70,667</u>

**Hofesh Shechter Company Limited**

**(Limited by Guarantee)**

**Year ended 31 March 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Expenditure on raising funds</b>		
Fundraising	69,577	80,324
	<u>69,577</u>	<u>80,324</u>
<b>Expenditure on charitable activities</b>		
<b>Theatre</b>		
<b>Production costs</b>		
Performance, workshop and project - salaries/fees	840,246	940,031
Social security costs	50,052	42,643
Performance, workshop and project - costs	183,082	353,769
	<u>1,073,380</u>	<u>1,336,443</u>
Support and governance costs - page 20	159,189	160,571
	<u>1,232,569</u>	<u>1,497,014</u>

**Hofesh Shechter Company Limited**

**(Limited by Guarantee)**

**Year ended 31 March 2021**

	<b>2021</b>		<b>2020</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Support and governance costs</b>				
<b>Support costs</b>				
Office overheads	36,602		42,961	
Depreciation of fixtures/fittings/equipment	8,964		9,411	
		45,566		52,372
<b>Administration costs</b>				
Salaries and fees	62,344		79,814	
Social security costs	5,616		5,919	
Sundries	29,522		21,015	
		97,482		106,748
<b>Professional/financial</b>				
Legal/professional	13		13	
Bank charges	1,308		1,929	
Bad debts	7,104		-	
Deficit/(surplus) on foreign exchange	1,716		(6,841)	
		10,141		(4,899)
<b>Governance costs</b>				
Accountancy/consultancy	2,000		2,350	
Audit	4,000		4,000	
		6,000		6,350
		<u>159,189</u>		<u>160,571</u>

# Hofesh Shechter Company Limited

(Limited by Guarantee)

## Balance Sheet 31 March 2021

		2021		2020	
	Notes	£	£	£	£
<b>Fixed assets:</b>					
Tangible assets	9		22,236		28,628
<b>Current assets:</b>					
Stocks	10	503		503	
Debtors	11	267,634		285,129	
Cash at bank and in hand		636,927		368,983	
		<u>905,064</u>		<u>654,615</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	12	(235,693)		(358,745)	
<b>Net current assets</b>			<u>669,371</u>		<u>295,870</u>
<b>Total assets less current liabilities</b>			<u>691,607</u>		<u>324,498</u>
<b>The funds of the charity:</b>					
<b>Unrestricted funds</b>	15				
General fund			433,352		248,885
Designated funds			258,255		75,613
<b>Total charity funds</b>			<u>691,607</u>		<u>324,498</u>

The trustees have prepared these accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 28 January 2022 and signed on its behalf by



**Martine Simmonds**  
Trustee



**Gerard Lemos (Chair)**  
Trustee

The notes on pages 23 to 32 form an integral part of these financial statements.

**Hofesh Shechter Company Limited**

(Limited by Guarantee)

**Cash Flow Statement  
for the year ended 31 March 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>	<b>18</b>	268,821	117,079
		<hr/>	<hr/>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		1,695	-
Purchase of property, plant and equipment		(2,572)	(11,494)
		<hr/>	<hr/>
<b>Net cash provided by investment activities</b>		(877)	(11,494)
		<hr/>	<hr/>
Change in cash at bank and in hand in the reporting period		267,944	105,585
Cash at bank and in hand at the beginning of the reporting period		368,983	263,398
		<hr/>	<hr/>
<b>Cash at bank and in hand at the end of the reporting period</b>		636,927	368,983
		<hr/> <hr/>	<hr/> <hr/>



## **Hofesh Shechter Company Limited**

**(Limited by Guarantee)**

### **Notes to the Financial Statements for the year ended 31 March 2021**

#### **1. Accounting policies**

##### **1.1. Basis of preparing the financial statements**

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

Hofesh Shechter Company 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.

##### **1.2. Incoming resources**

All incoming resources are included in the Statement of Financial Activities when:

- the charity is legally entitled to the funds
- any performance conditions attached to the income have been met or are fully within the control of the charity
- there is sufficient certainty that receipt of the income is considered probable
- the amount can be reliably measured

##### **- Donations and legacies**

Grants/donations are recognised in incoming resources in the year in which they are receivable, except as follows:

- when donors specify that grants/donations given to the charity must be used in future accounting periods, the income is deferred until those periods
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the preconditions for use are met.

##### **- Charitable activities**

Theatre income - income from box office, performance fees and sundry other theatrical income is included in incoming resources in the period in which the relevant show takes place.

Project specific funding - when donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

##### **- Investment income**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

## **Hofesh Shechter Company Limited**

**(Limited by Guarantee)**

### **Notes to the Financial Statements for the year ended 31 March 2021**

#### **1.3. Expenditure**

All expenditure is included on an accruals basis inclusive of any VAT which cannot be recovered and is recognised when:

- there is a legal or constructive obligation to make a payment
- it is probable that settlement will be required
- the amount of the obligation can be measured reliably

##### **- Costs of raising funds**

Costs incurred in attracting donations, and those incurred in trading activities that raise funds.

##### **- Charitable activities**

Theatre production costs - costs incurred in production and running of productions toured in the year.

##### **- Support costs**

The administrative and overhead costs associated with running the office from which the company operates as well as governance costs. Support are wholly attributable to theatre production costs.

##### **- Governance costs**

Costs associated with the constitutional and statutory requirements of the charity.

#### **1.4. 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 trustees.
- Designated funds - these are funds set aside by the trustees 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.

#### **1.5. Tangible fixed assets and depreciation**

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided at annual rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures/fittings/equipment - 25% and 33% reducing balance

#### **1.6. Stock**

Stock is included at the lower of cost or net realisable value.

#### **1.7. Debtors**

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

## Hofesh Shechter Company Limited

(Limited by Guarantee)

### Notes to the Financial Statements for the year ended 31 March 2021

#### 1.8. Production costs in advance

Costs incurred in respect of a theatre production which opens in the following accounting period, and which are to be paid out of general unrestricted funds, are carried forward at the balance sheet date.

#### 1.9. Cash at bank and in hand

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

#### 1.10. Creditors and provisions

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

#### 1.11. Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised as expenditure when due.

#### 1.12. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the date of the transactions. All gains and losses on exchange are written off in the income and expenditure account.

#### 1.13. Financial Instruments

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

#### 1.14. Significant Accounting Estimates and Judgements

In determining the carrying amounts of certain assets and liabilities, the charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The charity's estimates and assumptions are based on historical experience and expectation of future events and are reviewed annually.

#### 2. Incoming resources

Total incoming resources for the year have been derived from the principal activity. The proportion of incoming resources derived from outside the UK amounted to 13% (2020 - 49%).

#### 3. Other income

	2020	2019
	£	£
Theatre Tax Relief (TTR)	20,484	70,667

**Hofesh Shechter Company Limited**

**(Limited by Guarantee)**

**Notes to the Financial Statements  
for the year ended 31 March 2021**

<b>4. Net income for the year is stated after charging:</b>	<b>2021 £</b>	<b>2020 £</b>
Depreciation of tangible fixed assets	8,964	9,411
Deficit on foreign exchange	1,716	-
Auditors' remuneration		
- external audit	4,000	4,000
- other services	2,000	2,350
	<u>          </u>	<u>          </u>
and after crediting:		
Surplus on foreign exchange	-	(6,841)
	<u>          </u>	<u>          </u>

**5. Trustees' emoluments and reimbursed expenses**

The trustees received no remuneration or reimbursed expenses during the year (2020 £nil).

The aggregated amount reimbursed to trustees during the year was £nil (2020 £nil).

## Hofesh Shechter Company Limited

(Limited by Guarantee)

### Notes to the Financial Statements for the year ended 31 March 2021

6. Staff costs and numbers	2021 £	2020 £
<b>Staff costs</b>		
Salaries and wages	654,204	549,292
Social security costs	58,677	51,364
Pension costs	12,381	12,068
	<u>725,262</u>	<u>612,724</u>

No employee earned £60,000 or more during the year (2020 - none).

The key management personnel of the charity comprise the Trustees and the Senior Management Team. The total employee benefits of the key management personnel of the charity were £53,000 (2020 - £57,878).

#### Staff numbers

The average numbers of employees (including casual and part time staff) during the year was made up as follows:

	2021 Number	2020 Number
Support	2	3
Production (including Shechter II apprenticeships)	22	24
Fundraising	1	1
	<u>25</u>	<u>28</u>

#### 7. Pension costs

The company operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £12,381 (2020 - £12,068).

#### 8. Corporation Tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**Hofesh Shechter Company Limited**

(Limited by Guarantee)

**Notes to the Financial Statements  
for the year ended 31 March 2021**

**9. Fixed assets - tangible assets**

	<b>Fixtures/ fittings/ equipment £</b>	<b>Total £</b>
<b>Cost</b>		
1 April 2020	94,534	94,534
Additions	2,572	2,572
31 March 2021	<u>97,106</u>	<u>97,106</u>
<b>Depreciation</b>		
1 April 2020	65,906	65,906
Charge for year	8,964	8,964
31 March 2021	<u>74,870</u>	<u>74,870</u>
<b>Net book values</b>		
31 March 2021	<u>22,236</u>	<u>22,236</u>
31 March 2020	<u><u>28,628</u></u>	<u><u>28,628</u></u>

**10. Stocks**

	<b>2021 £</b>	<b>2020 £</b>
Stocks	<u>503</u>	<u>503</u>

**11. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
Trade debtors	59,440	97,949
Other debtors	29,326	22,075
Prepayments/accrued income	178,868	165,105
	<u>267,634</u>	<u>285,129</u>

**Hofesh Shechter Company Limited**

**(Limited by Guarantee)**

**Notes to the Financial Statements  
for the year ended 31 March 2021**

<b>12. Creditors: amounts falling due within one year</b>	<b>2021 £</b>	<b>2020 £</b>
Trade creditors	124,952	117,601
Other taxation/social security	16,489	14,939
Other creditors	6,544	10,149
Accruals	20,526	13,189
Deferred income (note 13)	67,182	202,867
	<u>235,693</u>	<u>358,745</u>
<b>13. Deferred income</b>		<b>£</b>
Balance at 1 April 2020		202,867
Amount released to incoming resources		(202,867)
Amount deferred in the year		67,182
Balance at 31 March 2021		<u>67,182</u>

Deferred income relates to performance and co-commissioning fees received in advance.

**14. Limited by guarantee**

The private limited company is limited by guarantee, is registered in EW - England & Wales, and does not have a share capital. Each member gives a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. At 31 March 2021 there were 6 members.

**Hofesh Shechter Company Limited**

(Limited by Guarantee)

**Notes to the Financial Statements  
for the year ended 31 March 2021**

15. Unrestricted funds	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
General fund	248,885	1,486,150	(1,119,041)	(182,642)	433,352
Designated funds:					
Production reserve	75,613	-	-	-	75,613
Creation reserve 2021/22	-	-	-	130,642	130,642
COVID touring reserve	-	-	-	52,000	52,000
	<u>324,498</u>	<u>1,486,150</u>	<u>(1,119,041)</u>	<u>-</u>	<u>691,607</u>

**Production reserve**

An unrestricted designated reserve to safeguard against large-scale productions and/or projects. The reserve value is £75,613 as of 31 March 2021.

**Creation reserve 2021/22**

An unrestricted designated reserve to safeguard against the Creation for 2021/22.

**COVID touring reserve**

An unrestricted designated reserve to safeguard against sudden COVID-19 restrictions for travel and live stage productions.

16. Restricted funds	Brought forward £	Incoming resources £	Outgoing resources £	Carried forward £
Special Projects - Shechter Tour II	-	43,993	(43,993)	-
Creation - Double Murder	-	139,112	(139,112)	-
	<u>-</u>	<u>183,105</u>	<u>(183,105)</u>	<u>-</u>

**Special Projects - Shechter Tour II**

Grant income to support the tour of POLITICAL MOTHER UNPLUGGED touring programme resumed from November - January 2021.

**Creation - Double Murder**

Commissioning funds to support the creation for a new touring work choreographed and composed by Hofesh Shechter



**Hofesh Shechter Company Limited**

(Limited by Guarantee)

**Notes to the Financial Statements  
for the year ended 31 March 2021**

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

	<b>General funds £</b>	<b>Designated funds £</b>	<b>Total £</b>
Fund balances at 31 March 2021 are represented by:			
Tangible fixed assets	22,236	-	22,236
Net current assets	411,116	258,255	669,371
	<u>433,352</u>	<u>258,255</u>	<u>691,607</u>

**18. Reconciliation of net income to net cashflow from operating activities**

	<b>2021 £</b>	<b>2020 £</b>
Net income for the reporting period (as per the statement of financial activities)	367,109	80,427
Depreciation and amortisation	8,964	9,411
Dividends, interest and rents from investments	(1,695)	-
Decrease in stocks	-	386
Decrease in debtors	17,495	21,553
(Decrease)/increase in creditors	(123,052)	5,302
<b>Net cash inflow from operating activities</b>	<u>268,821</u>	<u>117,079</u>

**19 Financial commitments**

At 31 March 2021 the company had total future minimum lease payments under non-cancellable operating leases, with payments falling due as follows:

	<b>2021 £</b>	<b>2020 £</b>
<b>Due:</b>		
Within one year	25,344	25,344
Between one and five years	70,547	95,891
	<u>95,891</u>	<u>121,235</u>

**Hofesh Shechter Company Limited**

**(Limited by Guarantee)**

**Notes to the Financial Statements  
for the year ended 31 March 2021**

**20. Related party transactions**

During the year the company had no related party transactions that require disclosure.