

COMPANY REGISTRATION NUMBER: 08564622

CHARITY REGISTRATION NUMBER: 1158517

The Production Exchange Limited
Company Limited by Guarantee
Unaudited financial statements
30 June 2021

The Production Exchange Limited

Company Limited by Guarantee

Financial statements

Year ended 30 June 2021

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The Production Exchange Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report)

Year ended 30 June 2021

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 June 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Companies Act 2006 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 published in October 2019.

Reference and administrative details

Registered charity name	The Production Exchange Limited
Charity registration number	1158517
Company registration number	08564622
Principal office and registered office	72 High Street Ashwell Nr Baldock Hertfordshire SG7 5NS

The trustees

The trustees who served during the year and at the date of approval were as follows:

Baroness A Smith of Basildon (Chair)
C Blumenau (Artistic director)
J Harris
D Blumenau
C Grady
D McJannet
G Bell
C Nelkin
V Sivalingam
C Simpson

Independent examiner	L Thurston FCCA Lovewell Blake LLP Chartered accountants First Floor Suite 2 Hillside Business Park Bury St Edmunds IP32 7EA
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The Production Exchange Limited

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Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 30 June 2021

Objectives and activities

The Charity's purpose, as set out in the objects contained in the company's Memorandum of Association, can be summarised as being:

1. To promote, maintain, improve and advance education particularly by the facilitation of production, and the production of, drama and dance that illuminate the condition of humanity in contemporary society.
2. To provide a training platform for the development of skills and education of theatre and dance artists at an early stage of their careers.

The mission statement

To support, mentor and offer opportunity to early-career practitioners in the field of the Creative Arts.

How our activities deliver public benefit

The directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

At the start of the new financial year the Directors reviewed their decision in 2019/20 to subsume the work of the agency into the charitable operation. They found that the work of the agency still fulfilled the charitable aims of the company and remain content with the relevant financial arrangements.

The year 2020/21 was blighted by COVID and along with most other companies within the Creative Arts industries the Production Exchange found its activities severely curtailed and income streams decimated. The opportunities to deliver public benefit were much rarer during the year though the calendar year 2021 saw a recovery enabling the directors have to consider how planned production activities have contributed to the aims and objectives they have set. Specifically the directors considered the following:

1. An express intention to support the development of the work of young, early-career and emergent theatre and dance makers from all backgrounds by means of providing mentoring and agency services along with production participation opportunities.
2. An express intention to encourage all artist, companies and venues with whom we work to adopt a positive policy of equality of opportunity regarding the involvement of artistic and technical practitioners. In particular we have encouraged the involvement of practitioner of diverse heritage and ability.
3. A wide range of artistic programming at all scales of production, aiming to appeal to all sections of the community.
4. The provision of work for a wide variety of venues and catchment areas including community tours to rural areas in order to bring drama and dance to those not able to visit traditional theater buildings.
5. Every project has been assessed for its suitability for the inclusion of audio-description, captioning and BSL signed performances to enable the visually impaired, deaf, deafened and hard of hearing to enjoy the live theatre and dance.
6. Every project has been assessed for its suitability for the inclusion of an accompanying programme of work to enable greater access to theater and dance for minority and disenfranchised groups within the community.
7. Every project has been assessed for its suitability for the inclusion of an accompanying programme of work to enable greater access to theater and dance for schools and colleagues and their work on both curriculum related and non-curriculum related work.

The Production Exchange Limited

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Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 30 June 2021

Achievements and performance

As detailed above COVID meant a virtual closure of the industry for the first three quarters of the financial year. Inevitably this has had significant negative repercussions in terms of activity and finance.

The following paragraphs detail the work and projects undertaken by the Charity (or by the Trading company on the Charity's behalf) in which the training and development of early career practitioners was a central focus.

THE PRODUCTION EXCHANGE MANAGEMENT - The agency represents early career performers as well as those returning to the industry after a career break. It has moved from strength to strength and now represents around 75 creative artists of various shapes and sizes all linked together by the common thread that they are mostly in the early stages of their professional careers. Their work has spanned the industry ranging from very small-scale theatre productions to films made in Hollywood. The turnover for this part of the Charity's work has grown in significance and has become the mainstay of the Charity's activity and finance.

Due to COVID there was no live production work delivered during the financial year. The company was restricted to delivering a few projects online including a digital production of ELEPHANT'S GRAVEYARD. This production offered a large number of clients opportunities to hone and develop their performance skills to adapt to a relatively new medium.

Following receipt of a grant from the FORE RAFT Foundation and the allocation of some of its financial reserves, the company was able to fund 10 research and development projects from within the ranks of its client base under the heading of Clients Project Support Fund. These ranged from initial work on a guide to employing deaf artists to first readings of plays by early career writers Hannah Donelon and Emma Denly.

The closure of the company's London office and the move to remote working meant that hosting of interns became an impossibility for the time being.

No pantomime was produced by the company during the financial year.

Financial review

The Charity has income this year of £247,951 (2020: £477,016) with expenditure of £236,458 (2020: £530,164) creating a net surplus for the year amounting to £11,493 (2020: deficit of £53,148). The significant decrease in both income and expenditure is due entirely to COVID. Activity in 2021/22 has seen a strong recovery and witnessed record income figures at the time of writing so the future looks bright.

Principal funding policy

In 2020/21 the principal sources of income are commissions derived from the work of the agency plus modest levels of Government COVID support, a Bounceback loan from the bank and funding from the FORE RAFT Foundation and individual donations matched by Gift Aid.

Reserves policy

The Board of trustees has established a policy where the unrestricted funds not committed or invested in Tangible Fixed Assets ("free reserves") held by the Charity should be three to four months of the resources expensed which based on the activities of 30 June 2021 would amount to £78,819 (2020: £176,721). At the level, the Board feels that it would be able to continue activities of the charity in the event of a significant drop in income. The free reserves at the year end of £42,218 (2020: £30,725) are in excess of the reserves policy. The board continue to monitor and review the reserves policy and in line with the plans for future.

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Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 30 June 2021

Plans for future periods

The year 2021/22 will see further retrenchment of activity due to the advent of COVID. There are limited plans production work including a pantomime in Sutton Coldfield and several R&D projects. The Agency will retain its focus on both early-career artists and in particular continue to develop a specialism in the strand of work for deaf artists and audiences including the further development agency representation of a minimum of 6 hearing impaired actors during the year. Additionally the Agency will continue to maximise opportunities to represent LGBTQ+ clients with a specific focus on transgender and non-binary artists. It must, however, be clear that activity will not recover fully until the year 2022/23.

The Production Exchange Limited

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Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 30 June 2021

Structure, governance and management

The charity is a company limited by guarantee and as such has no share capital. It was incorporated on 11 June 2013 under company registration number 08564622, and is governed by its Memorandum and Articles of Association. It was registered as a charity under the charity number 1158517. None of the trustees have a beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Recruitment and appointment of trustees

New trustees are appointed from a recruitment and selection process to enhance the skills and experience of the Board as a whole. Once appointed, trustees are provided with all the information required to assist them in performing their role as trustees covering all aspects of the organisation.

Trustee induction and training

Potential trustees are interviewed by the Chair and Artistic Director and then invited to attend a Board meeting to assess whether the individual will benefit the Charity. Following their invitation to join the Board, the trustees have meetings with the Artistic Director to induct them into the business of the Charity.

Organisational structure

The trustees are responsible for making decisions on all matters of general concern and importance, including deciding on how the funds are to be spent. The Board met 5 times including an EGM (2020: 5) during the period to deal with the demands placed on the organisation by COVID. There an average attendance of 80% (2020: 83%). The trustees, who are responsible for the purpose of company law, and who served during the year are listed on the reference and administration details page of the financial statements.

Risk assessment

The trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems in place to mitigate exposure to the major risks.

Related party

The charity owns 100% of the share capital of The Production Exchange (Trading) Limited and TPE Accord She Limited, both of which are registered in England and Wales.

Independent examiner reappointment

A resolution to appoint L Thurston FCCA of Lovewell Blake LLP as independent examiner will be proposed at the next Annual General Meeting.

Small company provisions

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

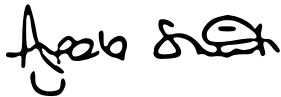
The Production Exchange Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 30 June 2021

The trustees' annual report was approved on 28th March 2022 and signed on behalf of the board of trustees by:



Baroness A Smith of Basildon (Chair)
Trustee



C Blumenau (Artistic director)
Trustee

The Production Exchange Limited

Company Limited by Guarantee

Independent examiner's report to the trustees of The Production Exchange Limited

Year ended 30 June 2021

I report to the charity trustees on my examination of the financial statements of the company for the year ended 30 June 2021 which comprise the statement of financial activities (including income and expenditure account), balance sheet and the related notes.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

L Thurston FCCA
Independent Examiner

Lovewell Blake LLP
Chartered accountants
First Floor Suite
2 Hillside Business Park
Bury St Edmunds
IP32 7EA

The Production Exchange Limited

Company Limited by Guarantee

Statement of financial activities (including income and expenditure account)

Year ended 30 June 2021

		2021		2020
		Unrestricted	Total funds	Total funds
	Note	funds	£	£
Income				
Donations and legacies	5	19,697	19,697	106,934
Charitable activities	6	228,254	228,254	370,082
Total income		<u>247,951</u>	<u>247,951</u>	<u>477,016</u>
Expenditure				
Raising funds				
Costs of other trading activities	7	(186,848)	(186,848)	(380,264)
Charitable activities	8	(49,610)	(49,610)	(149,900)
Total expenditure		<u>(236,458)</u>	<u>(236,458)</u>	<u>(530,164)</u>
Net income/(expenditure) and net movement in funds		<u>11,493</u>	<u>11,493</u>	<u>(53,148)</u>
Reconciliation of funds				
Total funds brought forward		30,725	30,725	83,873
Total funds carried forward		<u>42,218</u>	<u>42,218</u>	<u>30,725</u>

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

The notes on pages 10 to 16 form part of these financial statements.

The Production Exchange Limited

Company Limited by Guarantee

Balance sheet

30 June 2021

	Note	2021 £	£	2020 £	£
Fixed assets					
Investments	13		2		2
Current assets					
Debtors	14	17,404		9,471	
Cash at bank and in hand		62,569		25,644	
		79,973		35,115	
Creditors: Amounts falling due within one year	15	(16,090)		(4,392)	
Net current assets			63,883		30,723
Total assets less current liabilities			63,885		30,725
Creditors: Amounts falling due after more than one year	16		(21,667)		—
Net assets			42,218		30,725
Funds of the charity					
Unrestricted funds			42,218		30,725
Total charity funds	17		42,218		30,725

For the year ending 30 June 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 28th March 2022, and are signed on behalf of the board by:

Baroness A Smith of Basildon (Chair)
Trustee

C Blumenau (Artistic director)
Trustee

Company registration number: 08564622

The notes on pages 10 to 16 form part of these financial statements.

The Production Exchange Limited

Company Limited by Guarantee

Notes to the financial statements

Year ended 30 June 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 72 High Street, Ashwell, Nr Baldock, Hertfordshire, SG7 5NS.

2. Statement of compliance

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. The trustees have taken the ongoing Covid-19 pandemic into account when coming to this assessment of going concern.

Fund accounting

Unrestricted funds are maintained by the charity as a general fund which represents funds which are expended at the discretion of the Trustees in furtherance of the objects of the Charity.

Restricted funds have been provided to the Charity for particular purposes. The Trustees carefully monitor the application of these funds in accordance with the restrictions placad upon them. Details of the nature and purpose of each fund is set out in the notes to the accounts where applicable.

Income

All income is included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when the recognition criteria is met.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The Production Exchange Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 30 June 2021

4. Limited by guarantee

The Charity is a company limited by guarantee. None of the trustees have a beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Contributions to productions	9,558	9,558	46,147	46,147
Donations	2,054	2,054	8,439	8,439
Donation of assets from subsidiary	—	—	29,278	29,278
Grants				
Grants receivable	8,085	8,085	23,070	23,070
	<u>19,697</u>	<u>19,697</u>	<u>106,934</u>	<u>106,934</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from charitable activities	<u>228,254</u>	<u>228,254</u>	<u>370,082</u>	<u>370,082</u>

7. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Performer fees	186,833	186,833	360,489	360,489
Bad debt write off	15	15	19,775	19,775
	<u>186,848</u>	<u>186,848</u>	<u>380,264</u>	<u>380,264</u>

8. Expenditure on charitable activities

	Activities undertaken directly £	Total funds 2021 £	Total fund 2020 £
Direct costs of productions including management fees	6,704	6,704	19,908
Premises costs including insurance	2,453	2,453	4,034
Professional fees	27,417	27,417	45,119
Reorganisation impairment	—	—	55,723
Other	3,730	3,730	1,363
Travel costs	4,455	4,455	20,373
Agency costs	4,851	4,851	3,380
	<u>49,610</u>	<u>49,610</u>	<u>149,900</u>

The Production Exchange Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 30 June 2021

9. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,725</u>	<u>1,725</u>

10. Staff costs

The average head count of employees during the year was Nil (2020 - Nil).

No employee received employee benefits of more than £60,000 during the year (2020 - £Nil).

Key Management Personnel

Key management personnel include all personnel that have the authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £Nil (2020 - £Nil).

11. Trustee remuneration and expenses

No Trustee received remuneration for services as a Trustee in the current or prior year from the Charity. One trustee received reimbursed expenditure for this charities activities totalling £154 during the year from the charity (2020: £1,285).

12. Tangible fixed assets

	Office equipment £
Cost	
At 1 July 2020 and 30 June 2021	<u>1,577</u>
Depreciation	
At 1 July 2020 and 30 June 2021	<u>1,577</u>
Carrying amount	
At 30 June 2021	<u>—</u>
At 30 June 2020	<u>—</u>

The Production Exchange Limited

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Notes to the financial statements *(continued)*

Year ended 30 June 2021

13. Investments

	Shares in group undertakings £
Cost or valuation	
At 1 July 2020 and 30 June 2021	2
Impairment	
At 1 July 2020 and 30 June 2021	—
Carrying amount	
At 30 June 2021	2
At 30 June 2020	2

All investments shown above are held at valuation.

The company owns 100% of the £1 Ordinary share capital of The Production Exchange (Trading) Limited, a company registered in England & Wales. During the year The Production Exchange (Trading) Limited undertaking made a loss of £1,494 (2020 - profit of £23) and as at its balance sheet date had net liabilities amounting to £1,470 (2020 - net assets of £24).

In the prior year, The Production Exchange Limited acquired 100% of the £1 Ordinary share capital of TPE Accord She Limited, a company registered in England & Wales and incorporated on 16 March 2020. During the year TPE Accord She Limited undertaking made a profit of £Nil and as at its balance sheet date had net assets amounting to £1.

14. Debtors

	2021 £	2020 £
Trade debtors	16,441	157
Amounts owed by group undertakings	963	8,559
Other debtors	—	755
	<u>17,404</u>	<u>9,471</u>

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans and creditor amounts due	3,333	—
Trade creditors	4,327	604
Accruals and deferred income	5,125	1,400
Social security and other taxes	3,235	2,318
Other creditors	70	70
	<u>16,090</u>	<u>4,392</u>

The Production Exchange Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 30 June 2021

16. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans and creditor amounts due	<u>21,667</u>	<u>–</u>

17. Analysis of charitable funds

	At 1 July 2020 £	Income £	Expenditure £	Transfers £	At 30 June 2021 £
Unrestricted Funds	<u>30,725</u>	<u>247,951</u>	<u>(236,458)</u>	<u>–</u>	<u>42,218</u>

	At 1 July 2019 £	Income £	Expenditure £	Transfers £	At 30 June 2020 £
Unrestricted Funds	<u>83,873</u>	<u>477,016</u>	<u>(530,164)</u>	<u>–</u>	<u>30,725</u>

18. Analysis of net assets between funds

	Fixed Assets £	Current Assets £	Current Creditors £	Total £
Year ended 30 June 2021				
Unrestricted Funds	<u>2</u>	<u>79,973</u>	<u>(37,757)</u>	<u>42,218</u>

	Fixed Assets £	Current Assets £	Creditors Less Than 1 Year £	Total £
Year ended 30 June 2020				
Unrestricted Funds	<u>2</u>	<u>35,115</u>	<u>(4,392)</u>	<u>30,725</u>

19. Financial instruments

The carrying amount of financial instruments at 30 June were:

	2021 £	2020 £
Financial assets measured at fair value		
Investments	<u>2</u>	<u>2</u>

The Production Exchange Limited

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Notes to the financial statements *(continued)*

Year ended 30 June 2021

20. Related parties

Whilst Mr C Blumenau, a Trustee, does not receive remuneration from the Charity for his services as a Trustee, he was paid management fees of £11,757 (2020: £10,800) in the year for management services and work on productions, as well as receiving £154 (2020: £1,285) in relation to recharged expenses.

Mr C Blumenau, is a also a director of the subsidiary company, The Production Exchange (Trading) Limited. During the year the subsidiary company continued to trade with The Production Exchange Limited and made donations amounting to £xxx (2020: £29,278). Its results are disclosed within the investments note of the accounts.

Mrs C Nelkin, a Trustee, is also a director for Chloe Nelkin Consulting Limited with whom the charity engaged to undertake services and paid £900 (2020: £Nil) during the year.

With the exception of those mentioned above no Trustee or any person connected to them benefited from any contract or work awarded or payment made by the Charity during either this or the prior year.