

Registered Charity Number 1165934 (England & Wales)

Registered Charity Number SC047502 (Scotland)

TWO DESTINATION LANGUAGE

(A Charitable Incorporated Organisation)

REPORT AND ACCOUNTS

For the year ended 5 April 2022



Photo: Beth Chalmers

TWO DESTINATION LANGUAGE TRUSTEES' REPORT YEAR ENDED 5 APRIL 2022

The Trustees present their report and the unaudited financial statements of the charity for the year ended 5 April 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity number 1165934 (England & Wales)
SC047502 (Scotland) – from 12 June 2017

Principal address ARC Stockton, 60 Dovecot Street, Stockton-on-Tees TS18 1LL

Trustees

The Trustees of the charity during the year and to the date of signing this report are as follows:

Ms Elizabeth Moriarty
Ms Sarah Cockburn
Ms Tina Andrews
Mr Callum Madge

Independent Examiner Pete O'Hara FCA, Chartered Accountant, 4 Stoneyhurst Road
West, Gosforth, Newcastle upon Tyne NE3 1PG

Bankers Co-operative Bank plc, P.O. Box 101, 1 Balloon Street,
Manchester M60 4EP

Governing Documents

Two Destination Language was established as a Charitable Incorporated Organisation (CIO) on 8 March 2016. As a CIO it is governed by its constitution.

Objectives and Activities

The charity's objects are to advance the arts for the public benefit, in particular but not exclusively the art of drama.

Two Destination Language shares high quality contemporary performance with the public. It makes work to provoke new thinking about how cultures interact, and brings this to audiences as widely as possible. It also works with local communities to engage individuals in the arts and runs micro-fests to develop audiences for contemporary performance in places which see little of it.

Activities for the Public Benefit

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

TWO DESTINATION LANGUAGE TRUSTEES' REPORT YEAR ENDED 5 APRIL 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Activities for the Public Benefit (Cont.)

The main activities undertaken for the public benefit are as follows:

- Working with local communities to engage individuals in the arts
- Making work to provoke new thinking about how cultures interact
- Developing audiences for contemporary performance in places which see little of it

Recruitment & Appointment of Trustees

New Trustees are identified and appointed on the recommendation of the existing Trustees.

Operation of the Board of Trustees

The Board of Trustees typically meets four times per year.

Trustee Induction & Training

In the first year of appointment an induction and training year is provided, covering both the distinctiveness of the organisation, as well as the duties and responsibilities of acting as a charity Trustee.

Risk Management

The Trustees of the charity regularly review the major governance, operational and financial risks which the charity faces as part of its annual business planning process and confirm that systems have been established to mitigate these risks.

Two Destination Language has a risk management strategy in place, which comprises:

- an annual review of the strategic risks the charity may face via the business plan
- the establishment of systems and procedures to mitigate those risks identified
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Trustees are satisfied that appropriate financial systems and controls are in place.

The Trustees consider the key risks facing the charity at this time to be the financial risks arising if the organisation is unable to attract sufficient income to realise its planned projects to the scale and quality to which the organisation aspires.

The Trustees have managed the potential impact of these risks by ensuring that:

- Prudent budgets have been set for the next financial year
- The charity maintains a low cost base
- Contingency plans are in place for the actions which would be taken if income appears unlikely to reach its target

TWO DESTINATION LANGUAGE TRUSTEES' REPORT YEAR ENDED 5 APRIL 2022

ACHIEVEMENTS AND PERFORMANCE

Summary of the main achievements of the charity during the year

The activity of Two Destination Language is intended for the benefit of the public. The charity engages the public through performances, installations, video, imagery, learning and engagement workshops, projects, residencies, research presentations and publications. Supporting artists and enabling creativity is key to achieving this.

This public engagement stimulates and enhances an understanding about the arts, and, particularly, performing arts. The organisation aims to extend performance practice and provide new ways for the public to experience performance. The organisation's work has a wide geographical reach, presenting work and collaborating with partners nationally and internationally. Through all areas of its work, Two Destination Language strives to be inclusive and celebrates and champions diversity, presenting work in different spaces to engage a wider public beyond the traditional theatre audience, and working with a wide range of individuals across arts disciplines.

To this end, our work is centred on intercultural dialogue, within and around the projects we deliver. This links our different creative, engagement and sector support projects: all these are interested in creating space for renegotiation of cultural values, questioning and forming both individual and community identities.

Working with young people in Edinburgh and Leicester, we created two different versions of My Land Your Land, sharing audio reflections on the nature of home with family audiences. As part of Imagine's Edinburgh International Children's Festival and installed in Leicester's Attenborough Centre as well as on the University of Leicester's campus for their Centennial celebrations, the work reached wide audiences. In both participants and audiences, we saw strong representation from people whose voices are seldom heard in the arts.

Our FIELD artist support work brought participants together in real life for the first time, in cooperation with East St Arts in Leeds, while retaining accessibility through a hybrid delivery model. The success of this is reflected in an invitation to work further with East St Arts on a residency for some of the artists they already support, recognising our facilitation skills and curatorial approach. We shared thinking and learning from this, and the prior FIELD residency, through a print publication. Additional access was enabled through online sharing free of charge.

Development of new projects saw highly successful R&D for Of Time and Place, recognised by one commissioner as "a gift to the community, reflected in the incredible feedback received. 'Of Time and Place' should take place in every village hall, community centre and social space up and down the country. Two Destination Language's methodology and artistic practice (co)produces gentle, moving but galvanising reflections of communities."

We also began work on a new solo dance performance, 40/40, which reflects on migrancy, changing bodies and personal agency. Guided by experienced female choreographers, the work builds on our experience of work pushing at the boundaries of 'professional' arts practices.

TWO DESTINATION LANGUAGE TRUSTEES' REPORT YEAR ENDED 5 APRIL 2022

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the main achievements of the charity during the year (Cont.)

Despite the continued impact of covid, the year ended in rehearsals for Fault Lines to reach recovery phase audiences in Scotland and England, and the excellence of the work was recognised in selection for Made in Scotland's international showcase.

2021/22 also saw us begin a period of development, planning larger projects for coming periods and scoping the resources those will require.

Our work in 2021/2 reached audiences of 3,116 (c. 10% of pre-pandemic levels) with 350 participants in our projects. We worked with 73 professional creative practitioners.

Financial Review

The financial result for the year is a surplus on Unrestricted Funds of £37,002 (2021: surplus £22,063). As a result, the charity's Unrestricted Funds at 5 April 2022 are £78,993. The Trustees believe the financial performance to be satisfactory.

Reserves Policy

As Trustees, we have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. The Trustees seek to retain sufficient Unrestricted Reserves, to cover all known liabilities and to provide for a degree of contingency to complete the charity's existing operations in an orderly manner in the event of an unforeseen reduction in income. These reserves also allow us to cashflow activities paid in arrears.

As the size of projects we deliver has grown, so has our need for reserves which help us cashflow them, and this is now estimated as a total requirement of approximately £15,000.

The statement of financial activities shows total unrestricted funds of £78,993 at 5 April 2022. Free reserves, defined as unrestricted funds excluding any designated sums and the value of Fixed Assets, are £72,782. Though this exceeds the stated level of unrestricted reserves required, the Trustees have agreed that the additional funds will be committed to future projects and performances, responsive to need and changing public health restrictions.

This policy is reviewed by the Trustees on an annual basis as part of the charity's budgeting processes.

TWO DESTINATION LANGUAGE TRUSTEES' REPORT YEAR ENDED 5 APRIL 2022

PLANS FOR FUTURE PERIODS

Touring Fault Lines at the start of 2022/23 lays foundations for discussion with potential partners about extending our international impact, while allowing us to gauge domestic appetite for touring. Alongside this, the lightweight touring of 40/40 will allow us to reach audiences across rural settlements as well as in places with fully equipped theatres.

Public engagement with the arts continues to be variable following the pandemic, and in many places requires significant investment to overcome barriers — including the removal of financial costs to attendance.

We continue to support artists, planning work with East St Arts' Guild cohort of artist-led spaces, and further FIELD residencies incorporating the learning and skills from earlier iterations.

At the same time, our plans include longer-term projects which will require several years to come to fruition, and we are investing in consultancy and planning to ensure our organisation is both dynamic and resilient. This work centres around Of Time and Place, placing the diversity of rural voices and experiences at its heart, and has impacts across cultural, social and wellbeing indicators which make it timely activity.

On behalf of the board of Trustees

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Elizabeth Moriarty, Trustee

8 September 2022

TWO DESTINATION LANGUAGE TRUSTEES' REPORT YEAR ENDED 5 APRIL 2022

RESPONSIBILITIES OF THE TRUSTEES

The Trustees shall manage the business of the Charity and may exercise all the powers of the Charity unless restricted by the Charities Act or the constitution of the Charity.

The Trustees are responsible for the preparation of the financial statements for each financial year which show a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year.

In preparation of the financial statements the Trustees should follow best practice and:

1. Select suitable accounting policies and apply them.
2. Make judgements and exercises that are reasonable and prudent.
3. Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

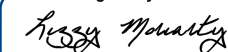
The Trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity.

The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005 by the Charities Commission England and Wales).

Signed on behalf of the Board of Trustees

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Elizabeth Moriarty, Trustee

8 September 2022

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF TWO DESTINATION LANGUAGE FOR THE YEAR ENDED 5 APRIL 2022

I hereby report to the Trustees/Members of Two Destination Language (Charity Registration Number 1165934) on the accounts for the year ended 5 April 2022 set out on pages 9 to 17.

Respective responsibilities of Trustees and examiner

The charity's Trustees are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements to:
 - keep accounting records in accordance with section 130 of the Charities Act; and
 - prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

8 September 2022

DocuSigned by:

Pete O'Hara

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Pete O'Hara, FCA, Chartered Accountant

4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG

**TWO DESTINATION LANGUAGE
STATEMENT OF FINANCIAL ACTIVITIES
YEAR TO 5 APRIL 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income					
Income from Investments	2	1,201	-	1,201	1,037
Grants, Donations & Legacies	3	20,347	88,698	109,045	99,366
Income from Charitable Activities	4	42,001	-	42,001	27,220
Other Income	5	934	-	934	16,478
Total Income		64,483	88,698	153,181	144,101
Expenditure					
Expenditure on Raising Funds	6	1,600	-	1,600	-
Expenditure on Charitable Activities	7	25,881	125,026	150,907	98,432
Total Expenditure		27,481	125,026	152,507	98,432
Net Income/(Expenditure)	8	37,002	(36,328)	674	45,669
Balance brought forward		41,991	110,539	152,530	106,861
Balance carried forward at 5 April		£78,993	£74,211	£153,204	£152,530

The notes on pages 11 to 17 form part of the financial statements.

There are no recognised gains and losses during the year other than as shown above.

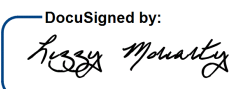
All the activities for the year are continuing activities.

**TWO DESTINATION LANGUAGE
STATEMENT OF FINANCIAL POSITION/BALANCE SHEET
At 5 APRIL 2022**

	Notes	2022 £	2021 £
Fixed Assets			
Tangible Fixed Assets	11	6,211	4,057
Current Assets			
Debtors	12	22,729	33,377
Cash at Bank and In Hand		171,847	121,644
		<u>194,576</u>	<u>155,021</u>
Creditors: Amounts Falling Due Within 1 Year	13	(47,583)	(6,548)
Net Current Assets		<u>146,993</u>	<u>148,473</u>
Total Net Assets		<u>£153,204</u>	<u>£152,530</u>
Represented By:			
Unrestricted Funds	14, 15	78,993	41,991
Restricted Funds	14, 15	74,211	110,539
		<u>£153,204</u>	<u>£152,530</u>

The notes on pages 11 to 17 form part of the financial statements.

The financial statements were approved by the Trustees, and authorized for issue, on 8 September 2022 and signed on their behalf by:

DocuSigned by:

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Elizabeth Moriarty, Trustee

TWO DESTINATION LANGUAGE NOTES TO THE ACCOUNTS AT 5 APRIL 2022

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Companies Act 2006, the Charities Statement of Recommended Practice (SORP) and Financial Reporting Standard (FRS) 102 Section 1A Small Entities.

Income

Income is included in the Statement of Financial Activities (SOFA) when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Such income is only deferred when the donor or funder has specified that the grant or donation can only be used in future accounting years or where the donor or funder has imposed conditions which must be met before the charity has unconditional entitlement.

Income from Investments

Interest receivable on bank deposits is included on an accruals basis.

Expenditure

All expenditure is accounted for on an accruals basis and is recognised when a liability is incurred.

- Costs of Raising Funds are those costs of managing investments, seeking potential funders and applying for funding.
- Charitable Activities include expenditure associated with the provision of artistic projects, including both the direct costs and support costs relating to these activities.
- Support or Indirect costs are those costs incurred in support of the charitable objectives. These have been allocated to the resources expended on a consistent basis that fairly reflects the true use of those resources within the organisation, such as allocating staff costs by time spent and other costs by their usage.
- Governance costs are those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Tangible Fixed Assets and Depreciation

Depreciation is provided on any fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

IT & Stage Equipment	- 33% per annum straight line
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A full year's depreciation charge is applied in the year of acquisition and no charge is made in the year of disposal.

**TWO DESTINATION LANGUAGE
NOTES TO THE ACCOUNTS
AT 5 APRIL 2022**

1. Accounting Policies (Cont.)

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Fund Accounting

The charity has a number of restricted income funds to account for situations in which a funder requires that a grant must be spent on a particular purpose or where funds have been raised for a specific purpose. The aim and use of each restricted fund is set out in Note 13 to the financial statements.

All other funds are considered Unrestricted Funds and are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Taxation

Two Destination Language is a registered charity and, as such, is not liable to taxation on its income in the current year.

2. Income from Investments

	Unrestricted Funds	Restricted Funds	2022	2021
	£	£	£	£
Interest on Cash Deposits	1,201	-	1,201	1,037
	£1,201	£-	£1,201	£1,037

The 2021 total of £1,037 related wholly to Unrestricted Funds.

**TWO DESTINATION LANGUAGE
NOTES TO THE ACCOUNTS
AT 5 APRIL 2022**

3. Income – Grants, Donations & Legacies

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Grant Income				
Arts Council England – Emergency Fund	-	-	-	37,000
Arts Council England – Field 2021	-	61,421	61,421	-
Corra Foundation - Resilience Fund	-	-	-	7,500
Creative Scotland – Fault Lines	-	27,277	27,277	-
Creative Scotland - Shifting Tides	-	-	-	49,491
Foundation Scotland - Community Response, Recovery & Resilience Fund	-	-	-	5,000
Garfield Weston Foundation	20,000	-	20,000	-
	20,000	88,698	108,698	98,991
Donations	347	-	347	375
	£20,347	£88,698	£109,045	£99,366

Of the 2021 total of £99,366, £375 relates to Unrestricted Funds and £98,991 to Restricted Funds.

4. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Box Office & Fee Income	11,975	-	11,975	25,842
Book Sales	1,355	-	1,355	1,378
Presenting Partner Contributions	28,671	-	28,671	-
	£42,001	£-	£42,001	£27,220

The 2021 total of £27,220 relates wholly to Unrestricted Funds.

**TWO DESTINATION LANGUAGE
NOTES TO THE ACCOUNTS
AT 5 APRIL 2022**

5. Other Income

	Unrestricted Funds	Restricted Funds	2022	2021
	£	£	£	£
Reimbursed Expenses	934	-	934	-
Theatre Tax Relief	-	-	-	16,478
	£934	£-	£934	£16,478

The 2021 total of £16,478 relates wholly to Unrestricted Funds.

6. Expenditure on Raising Funds

	Unrestricted Funds	Restricted Funds	2022	2021
	£	£	£	£
Fundraising Support	1,600	-	1,600	-
	£1,600	£-	£1,600	£-

The 2021 total of £16,478 relates wholly to Unrestricted Funds.

7. Expenditure on Charitable Activities

	Unrestricted Funds	Restricted Funds	2022	2021
	£	£	£	£
Direct Project Costs				
Production Costs	-	88,450	88,450	44,641
Press, PR & Marketing Costs	-	1,736	1,736	460
Producer Fees	-	4,875	4,875	-
Core Artistic & Management Fees	-	27,750	27,750	45,000
Admin/General Manager Fees	9,785	2,215	12,000	-
Support Costs				
Overheads & Administration Costs	9,103	-	9,103	3,761
Depreciation	6,393	-	6,393	3,610
Governance Costs				
Independent Examination Fees	600	-	600	600
Other Accountancy Costs	-	-	-	360
	£25,881	£125,026	£150,907	£98,432

Of the 2021 total of £98,432, £23,047 relates to Unrestricted Funds and £75,385 to Restricted Funds.

**TWO DESTINATION LANGUAGE
NOTES TO THE ACCOUNTS
AT 5 APRIL 2022**

8. Net Income/(Expenditure)

	2022	2021
Net Income/(Expenditure) is stated after charging/(crediting):	£	£
Depreciation of owned Fixed Assets	6,193	3,610
Independent Examiner's Fees	600	600

9. Staff Costs/Trustees' Remuneration

No staff were employed in the year (2021: None).

No remuneration was paid to or waived by Trustees in the year, but Trustees are able to claim re-imbursement at cost for any out-of-pocket expenses they incur in the course of their Trustee duties.

10. Taxation

Two Destination Language is a Charitable Incorporated Organisation and, therefore, is not liable to income tax or corporation tax on income or gains derived from its activities as they fall within the exemptions available.

11. Tangible Fixed Assets

	Technical & Stage Equipment £	IT & Office Equipment £	Total Fixed Assets £
Cost			
At 6 April 2021	7,444	3,387	10,831
Additions in year	-	8,647	8,647
Disposals	-	(300)	(300)
At 5 April 2022	7,444	11,734	19,178
Accumulated Depreciation			
At 6 April 2021	4,962	1,812	6,774
Charge for year	2,482	3,911	6,393
Disposals	-	(200)	(200)
At 5 April 2022	7,444	5,523	£12,967
Net Book Value			
At 5 April 2022	£-	£6,211	£6,211
At 6 April 2021	£2,482	£1,575	£4,057

**TWO DESTINATION LANGUAGE
NOTES TO THE ACCOUNTS
AT 5 APRIL 2022**

12. Debtors

	2022	2021
	£	£
Trade Debtors	-	4,475
Grant Debtors	22,230	28,461
Prepayments	499	441
	£22,729	£33,377

13. Creditors - Amounts Falling Due Within One Year

	2022	2021
	£	£
Accruals	1,612	6,205
Trade Creditors	27,971	343
Deferred Income	18,000	-
	£47,583	£6,548

14. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	2022	2021
	£	£	£	£
Fixed Assets	6,211	-	6,211	4,057
Debtors	499	22,230	22,729	33,377
Cash at Bank and In Hand	98,464	73,383	171,847	121,644
Creditors – Due Within 1 Year	(26,181)	(21,402)	(47,583)	(6,548)
	£78,993	£74,211	£153,204	£152,530

**TWO DESTINATION LANGUAGE
NOTES TO THE ACCOUNTS
AT 5 APRIL 2022**

15. Analysis of Charitable Funds

	Fund at 6 April 2021 £	Incoming Resources for Period £	Resources Expended for Period £	Fund at 5 April 2022 £
Unrestricted General Fund	41,991	64,483	(27,481)	78,993
Movement on Restricted Funds				
Arts Council England – Field 2021	-	61,421	(44,774)	16,647
Creative Scotland - Shifting Tides	37,195	-	(37,195)	-
Creative Scotland – Touring	73,344	27,277	(43,057)	57,564
Total Restricted Funds	110,539	88,698	(125,026)	74,211
Total Funds	£152,530	£153,181	£(152,507)	£153,204

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Arts Council England – Field 2021	Towards the cost of Field
Creative Scotland – Shifting Tides	Towards the cost of Shifting Tides
Creative Scotland – Touring	Towards the cost of touring Fallen Fruit and Fault Lines

16. Financial Commitments

No material financial commitments have been made in respect of future financial years.

17. Related Parties

There were no transactions in the year with related parties, such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (Effective April 2008).