

WISE CHILDREN LIMITED

England & Wales · Charity number 1178358

Details

Other names Emma Rice Company

Status Registered

Legal form Charitable company

Company number [10547581](#)

Registered 2018-05-11

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: 1) TO ADVANCE EDUCATION IN THE ARTS FOR THE PUBLIC BENEFIT, IN PARTICULAR, BUT NOT EXCLUSIVELY, BY THE PROVISION OF TRAINING FOR YOUNG PEOPLE 2) TO PROMOTE THE ARTS GENERALLY WITH PARTICULAR REFERENCE TO CREATING AND TOURING THEATRICAL WORKS FOR THE PUBLIC BENEFIT.

Activities: Wise Children is a new theatre company conceived, created and led by multi award-winning director Emma Rice. Wise Children create landmark work with exceptional artists, challenge outmoded theatre touring models, train the next generation of creative practitioners, and discover the creative spaces of the future.

Classification

- **How:** Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,382,406	£3,154,577	£1,621,111	12
2024-03-31	£2,036,959	£1,951,773	£1,388,627	12
2023-03-31	£2,826,834	£2,613,330	£1,291,283	12
2022-03-31	£2,025,059	£1,581,923	£1,077,779	9
2021-03-31	£953,796	£699,353	£634,643	8

Trustees

Name	Role	Appointed
CLARE REDDINGTON	Chair	2018-02-14
ASHUTOSH ANANT KHANDEKAR		2025-09-15
Irma Lorna Inniss		2024-06-17
Judith Dimant		2019-09-11
Kane Husbands		2024-01-08
Simon Peter Inch		2025-06-16
Yuko Thomas		2020-07-20

WISE CHILDREN LIMITED

England & Wales - Charity number 1178358

Accounts

Company Number: 10547581
Charity Number: 1178358

Wise Children Limited
Report and Audited Financial Statements
For the Year Ended 31 March 2025

**Wise Children Limited
Financial Statements
For the year ended 31 March 2025**

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Wise Children Limited
Reference and Administrative Details
For the year ended 31 March 2025

Company Number	10547581
Charity Number	1178358
Registered Office	Unit G1 Temple 1852 (Bristol & Exeter House) Temple Campus Lower Approach Road Bristol BS1 6QA
Board of Trustees	Judith Dimant Kane Husbands Simon Inch (appointed 16 June 2025) Irma Inniss (appointed 17 June 2024) Clare Reddington (Chair) Nicholas Rogers (resigned 16 June 2025) Yuko Thomas
Artistic Director	Emma Rice
Executive Director	Poppy Keeling
Creative Director	Simon Baker
Auditor	Knox Cropper LLP 65 Leadenhall Street London EC3A 2AD
Bankers	Natwest 40 Queens Road Bristol BS8 1BF

Wise Children Limited Trustees' Report For the year ended 31 March 2025

The trustees (who are also the Directors of the charitable company for the purposes of the Companies Act) present their combined Directors' report and Trustees' annual report, as required by company law, along with the consolidated financial statements of the charitable company and its subsidiary for the year ended 31 March 2025.

The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, Charities Act 2011, the Companies Act 2006, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in January 2015. The Trustees and Directors Reports have been combined under the Companies Act 2006.

Structure, Governance and Management

Constitution

Wise Children is a private company limited by guarantee registered in England & Wales, company number 10547581. Its governing document is its Memorandum and Articles of Association. The company is a registered charity, number 1178358.

Directors and Trustees

The directors of the charitable company ("the parent charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association, the trustees are appointed by the existing Board of Trustees. A member of the Board of Trustees must propose such a person for election. Notice shall be given to the Board of Trustees for the meeting at which it is intended to propose such persons for election, stating the object of the meeting, the name and address of the person to be proposed, and the name of the board member.

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated into quarterly trustees' meetings.

Leadership

Artistic Director Emma Rice, Executive Director Poppy Keeling and Creative Director Simon Baker make up the organisation's Leadership Team, managed by and reporting to the trustees. They are jointly responsible for the day-to-day running of and decision-making at the charity.

The trustees oversee Leadership Team contracts and pay, which are set in line with industry standards and reviewed annually.

Objectives and activities

The charity's purposes are:

- to advance education in the arts for the public benefit, in particular, but not exclusively, by the provision of training for young people;
- and to promote the arts generally with particular reference to creating and touring theatrical works for the public benefit.

Wise Children is an international touring theatre company, based in the South West. Led by award-winning director Emma Rice, we make ground-breaking and accessible work with exceptional artists which we tour across the UK and the world. Alongside shows we run our lauded Training Programme, a unique professional development initiative through which we nurture the next generation of diverse, independent theatre makers.

Wise Children launched in 2018, when we became an Arts Council England (ACE) National Portfolio Organisation (NPO): our current Portfolio funding is secured until 2028.

Since our launch we have produced nine critically acclaimed original productions which have been seen by nearly 350,000 people in 30 cities across four continents. Many of these were made through co-productions with the UK's leading theatre organisations, including the Royal Shakespeare Company, the National Theatre and the Old Vic. Our work has also been commissioned by the BBC and Sky Arts, with our digital work reaching an estimated 300,000.

Wise Children Limited Trustees' Report For the year ended 31 March 2025

'Emma Rice, and her Wise Children, are making some of the best work in British theatre today. Moreover, they make it to tour the country, bringing the best to audiences everywhere. This commitment to UK touring is one of the reasons we at the RSC wanted to partner with them, along with their approach to diversity, skills-sharing and, above all, to ambitious, emotional, genre-defying storytelling.'

Daniel Evans, Co-Artistic Director of the RSC

Our Artistic Director Emma Rice is amongst the UK's best known and loved theatre directors. Her celebrated 30-year career has included being Artistic Director of Cornish theatre company Kneehigh and of Shakespeare's Globe, London. In 2019, she received the UK Theatre Award for Contribution to British Theatre, in 2022, she was named one of Sky Arts '50 most influential British artists of the last 50 years' and in 2025 she won the WhatsonStage award for Best Director.

The Training Programme also started in 2018 and since then we've run 88 practical courses with over 5,000 theatre makers, many of whom now work with us regularly. We evaluate the School's impact through surveys and case studies: feedback from students is always hugely positive, with recent comments including:

'One of the most encouraging experiences I've had as an actor. A beautiful and comfortable space to create, explore, be challenged and most importantly, be inspired by those around you.'

'Working and learning from Wise Children has been an invaluable experience, equipping me with new tools, methods and techniques that I can take forward into future work. I felt challenged, pushed creatively, motivated and inspired on a daily basis!'

In shaping our objectives and planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

New Work

2024/25 has been another productive year, with achievements including the conclusion of our UK tour of Blue Beard, and the creation of two original theatre shows adapted and directed by Emma.

The first new show was The Buddha of Suburbia, a co-production with the Royal Shakespeare Company (RSC), which opened at the RSC's Swan Theatre in Stratford-upon-Avon in April 2024. Adapted from Hanif Kureishi's iconic 1980s novel by Emma, with Hanif, The Buddha of Suburbia was the first production to take place in the Swan under the RSC's new Artistic Directors' tenure.

The production received a slew of five-star reviews (the Times called it 'an intoxicating, five-star show' and the Telegraph wrote 'Emma Rice has nailed it') and transferred to London's Barbican in October 2024, where the final week of shows sold out the 1,000 seat theatre. In January 2025, Emma won the WhatsonStage award for Best Director for her work on the show.

In March 2024, we premiered another new show, North by Northwest, adapted by Emma from the iconic Hitchcock film. The show opened in York before touring to Manchester, Liverpool, Cheltenham, Bath and Alexandra Palace, London. North by Northwest was a hit with audiences and critics alike, with reviewers praising the 'bravura staging that will keep you grinning at its sheer inventiveness' (The Telegraph), and calling it 'an espionage crowd-pleaser for the summer' (The Guardian), 'a potent Hitch-cocktail, garnished with a delicious twist of lemon zest' (The Mail).

Revivals

Alongside making new work, we revived our 2021/22 National Theatre co-production Wuthering Heights for a major international tour, including dates in Sydney, Kaohsiung, Hong Kong, Shanghai, Chengdu and Suzhou. It was the first presentation for Wise Children's work in these regions, marking a significant opportunity to forge international links and explore new markets for our work.

The tour was a huge success, both in terms of audience response (shows sold out in Kaohsiung and Hong Kong and far exceeded targets in the mainland Chinese venues) and of the health and happiness of the company on tour. As one company member fed back: 'An amazing tour from start to finish. Held amazingly by WC who clearly really care for the performers experience and wellbeing. Always making sure that the company's welfare and happiness are at the forefront of their practice. An utter joy.'

Wise Children Limited Trustees' Report For the year ended 31 March 2025

In December 2024, we also revived our popular family show *The Little Match Girl* and *Happier Tales* for a second Christmas season at our home *The Lucky Chance* in Frome. We added to the festive fun with *The Ugly Duckling*, a show for parents and toddlers which we performed on top of the *Little Match Girl* set, ensuring we had an offering for families and young people of all ages. As in previous years, with the support of key donors, we were able to offer every Year 4 child in Frome a free ticket to *The Little Match Girl*.

Wise Children's Training Programme

Working with schools

We were delighted to be invited to return as the theatre partners for a second year of Somerset Council's Creative Learning & Education Schools Programme, following a successful pilot in 2023/24. The programme offers Somerset schools the opportunity to learn from, and collaborate with, world-class performance companies from across the region, with the aim of inspiring students, raising aspirations and building creative confidence in teachers. The programme is designed to enrich classroom teaching and ensure all young people feel the arts are 'for them'.

Taster workshops

Taster workshops are how we meet new people: free, day-long workshops that offer a low commitment introduction to Wise Children's work. We ran day-long Technical and Theatre-making Tasters at every venue on the *Blue Beard* tour, engaging 120 people in 6 cities. Spring/summer 2025/26 saw us deliver a similar programme to accompany the tour of *North by Northwest*.

Residencies

Our intensive Summer Residencies at *The Lucky Chance* continue to be extremely popular: we had 251 applications for the 12 places on our open-access course. All courses ran smoothly, with 100% of participants feeding back positively.

For the first time, we also ran an international residency. Based at the Hong Kong Academy for Performing Arts, and in partnership with the Hong Kong Arts Festival, we spent a week working with 20 young theatre makers from across the island. It was a hugely positive experience, with feed back including:

'Not only has my understanding of devising theatre increased, but my appreciation and love for the art of music has also grown. This has provided me with a clearer goal, direction and role models on my journey towards becoming a professional musical theatre performer.'

'The Wise Children process is so free, with plenty of room to play and create. I've discovered that the creative process can start from very simple, unpolished ideas, and with gradual adding and modifying, they can all come together beautifully.'

Trainees

Key to our Training Programme are the Traineeships we offer on each production: paid roles for people we've met through other Training Programme activities and who we believe show exceptional promise.

In 2024/25 we had three Trainees, actor/director/theatre-makers Evie Dickson and Tom Fox who worked as Trainee Assistant Directors on *North by Northwest* and *Blue Beard* respectively, and Chloe Moore, who was employed as Trainee Wardrobe Technician on *Blue Beard*.

All described the experience as transformative, with Tom writing: 'To be able to contribute to the creation of this show has been incredible. Being a part of the show from idea, to script, to R&D, to rehearsals, to tech, to previews, to press night, to tour venues has given me so many new skills and understanding how theatre at this scale (production wise and artistically) works.'

Chloe's work on *Blue Beard* was part of a larger Traineeship created in partnership with York Theatre Royal and funded by the Theatre Artists' Fund. After touring with us, Chloe spent six months as a Trainee in York's costume department, and went on to land a permanent job there. Chloe wrote: 'The whole experience was fantastic. The chance to be part of the Wise Children company has encouraged me to think bigger and bolder with my ideas, and to think about inclusivity more within wardrobe.'

Wise Children Limited Trustees' Report For the year ended 31 March 2025

Company mentoring

The Training Programme's final offering is our flagship 'company mentoring' offer, where we select a theatre company to support across a year as they make some kind of step-change. In 2024, we worked with Hotter Project, an emerging company led by El Potter and Mary Higgins who wanted to formalise their partnership, establishing the fledgling company as a registered charity and beginning to fundraise for more ambitious work.

Environmental responsibility

2024/25 saw us embed environmental responsibility at the heart of the charity in a way we haven't previously managed. This change has been powered by our Head of Organisation, who, inspired by a number of professional training opportunities, has taken the lead with energy and passion.

This means that across all projects we now: include our Environmental Policy and Action Plan in permanent and freelance contracts, and ask employees to commit to helping us achieve our goals; schedule a mandatory Sustainability session at the start of each project; include a 'green card meeting' as part of the set design process, building on the traditional 'white card meeting' and focusing on reducing the environmental impact of our tours; appoint a Green Champion to each project, who works with our Head of Organisation to ensure goals are met; and schedule a Green De-brief at the end of each project to reflect on successes and challenges, and make commitments for the future.

Another success in 2024/25 was the consolidation our previously dispersed 'physical assets' – ie the sets, costumes, props, tools, technical equipment, and more amassed over eight years of making and touring work – into one large storage unit in Frome. This was a major undertaking, but means we now have ready access to our kit, and can pull from existing stock as we develop new shows, significantly reducing waste and duplication.

Fundraising

Fundraised income was down after an exceptionally successful year in 2023/24 (when our capital project at The Lucky Chance unlocked new funding avenues), but we are grateful for the continued support of the Wolfson Foundation, the John Ellerman Foundation and the Noel Coward Foundation. We also received a grant from the Victoria Wood Foundation, and hope this marks the start of an ongoing relationship.

The Wise Children Club continued to grow steadily, with members now numbering 341, and total annual income at £8,657.

We took part in the Big Give Christmas Challenge again, and increased our target, raising £38,874 for our Christmas show at The Lucky Chance.

In February 2025, we were successful in our application to Arts Council England's new Incentivising Touring fund, a pilot programme offering repayable grants of 25% of capitalisation to touring productions which demonstrate the potential to generate surplus. We applied for £115,000 for a revival tour of Malory Towers (planned for 2026) and were delighted to be one of just eight companies receiving funds.

We also directed focus to growing our local supporter base, with a series of events across the year designed to engage Frome and Somerset residents. Over time, we hope this group, informally known as our 'Somerset Supporters', will champion our work in the area, helping raise funds for work at The Lucky Chance.

As always, we are hugely grateful to the individuals who support our work with larger donations, many of whom have been giving annually since our launch. This year we were delighted to have retained the support of many of these loyal champions, as well as to have met several new donors.

Wise Children Productions Limited

On 19 July 2024 the charity incorporated a wholly owned trading subsidiary, Wise Children Productions Limited, a company limited by shares. The subsidiary was established to act as the theatre production company for the charity's productions.

Under a formal production agreement, the charity commissions the subsidiary to produce individual productions. The subsidiary subcontracts the charity to provide production services and resources, with appropriate cost recharges.

The results of the subsidiary have been consolidated with the results of Wise Children for the first time in the year ended 31 March 2025.

Wise Children Limited Trustees' Report For the year ended 31 March 2025

Financial review

The company is reporting a surplus of £232,484 (2024: £97,344) on a turnover of £3,382,406 (2024: £2,036,959).

Arts Council England continues to be an essential source of funding: Wise Children is an Arts Council England National Portfolio Organisation for 2023-26 (now extended to March 2028), receiving annual funding of £483,000 (rising to £490,776 from 2025/26). In 2024/25, this represents 14% of total income, in comparison to last year's 24%.

Our other major source of income is productions, for which we receive a mix of co-production fees (contributions from partners towards the creation of a show), presentation fees (from theatres in respect of the weekly costs of presenting a show) and box office income (unsecured income directly related to ticket sales). With each production, we try to balance these income sources to ensure the production can be safely realised but that it also stands to benefit from box office success. In 2024/25, Production income accounted for 81% of annual income, in comparison to last year's 63%.

Other sources of income include grants from Trusts & Foundations, with applications focused on trusts which feel aligned with our values. Gifts from individuals represent a small but growing part of the charity's income and include major gifts, a Christmas Appeal and our private giving scheme, the Wise Children Club. Fundraising accounts for 5% of total income; it was 12.6% in 2023/24 (although it's worth noting that this includes fundraising for the now-complete capital project).

The Wise Children Training Programme brings in a small amount in participants' contributions, but due to its 'pay what you can' model is understood as a loss-making activity.

The Lucky Chance, our base in Frome, generates a small amount of income in ticket sales and ancillary bar surplus. This income stream has the potential to develop into a more significant contribution to the company's overall financial health, as we increase capacity and generate additional income from hiring out the space and presenting more of our own work to local audiences.

Wise Children's Investment Committee oversees the investment of a portion of reserves in two CAIFs, with the aim of offsetting the effects of high inflation. The funds invested have continued to perform well despite the turbulent financial climate, and the Investment Committee monitor and report on funds on a quarterly basis.

The current financial climate

The trustees have undertaken a review of the current challenges facing Wise Children, with particular focus on the ongoing impacts of Brexit and the cost-of-living crisis.

For a second consecutive year, we have expanded operations, producing a greater volume of work and extending our reach to new overseas territories. While growth presents opportunities for diversified and increased revenue streams, it also introduces greater financial complexity. Expansion entails higher operational costs, an elevated workload, and the inherent uncertainties associated with entering new markets and undertaking novel initiatives.

Risks include:

- The existing staff structure and team struggling to effectively and happily deliver the growing workload;
- Our increased reliance on Theatre Tax Relief which is paid in arrears on an uncertain timeframe and of which receipt is, in fact, never completely guaranteed;
- The theatres that commission and co-produce our work having dramatically reduced income and reserves, and being unable to collaborate with us to make new work, or only being able to support new work with much reduced budgets;
- Inflation and other major world events disrupting national and global infrastructure and logistics, causing prices for services to spiral and making our increasing focus on income from international touring precarious;
- The self employed artists, technicians and suppliers we rely on either leaving the industry or having their resources so decimated that they are no longer available to us, or only in reduced form;

Wise Children Limited
Trustees' Report
For the year ended 31 March 2025

- and increased demand for donations from individuals and Trusts and Foundations, in the wake of the cost-of-living crisis, making fundraising an increasingly unreliable source of income.

The charity is taking the following steps to mitigate these threats:

- Leaning in to the 'slow touring' model, which we piloted to great success in 2023/24, and which sees us collaborating closely with a small number of venues. Together, the 'slow tour' group will co-produce work, sharing financial risk;
- Building on the success of recent international tours to carefully continue this work, strengthening existing partnerships and models to minimise risk while maximising income;
- Simplifying our Theatre Tax Relief claims by creating a subsidiary company to manage production finances, and seeking specialist advice on our approach to Theatre Tax Relief;
- Creating new staff roles in Production and Communications, to help us manage the increased work load;
- Refining our Business Plan for The Lucky Chance to ensure income generating activities at the venue do not divert (human and other) resources from our core programme of activity.

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved due to the facts that as at 15 August 2025 the charity's cash position was £251,235.05 and its principal funder, Arts Council England, has extended its funding to 31 March 2028.

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(b) to the financial statements.

Reserves

At 31 March 2025, the charitable group held £499,584 (2024: £501,697) in general reserves, £1,101,982 (2024: £826,771) in five designated funds and £19,545 (2024: £60,159) in restricted funds.

General reserves

Touring theatre is still facing considerable challenges related to the pandemic and the cost of living crisis. The impact of this increased precarity makes managing cashflow is complex, and, with the charity committed to making and touring live theatre productions, the Trustees consider it prudent to maintain general reserves of £500,000 to ensure stability.

Level of general reserves at March 2025: £499,584.

Operational fund

The trustees aim to maintain an unrestricted operational fund at a level of between three and six months of core expenditure, to a maximum figure of £336,000. This level will ensure there are sufficient funds available to cover core running and governance costs in the event of the company's dissolution.

Level of operational fund at March 2025: £252,000.

Development fund

The trustees are also building a development reserve with a target figure of £250,000 designed to allow the company to take risks with new work, including through touring.

Level of development fund at March 2025: £250,000.

The Lucky Chance

This designated fund represents the value of the expenditure to date on the purchase and renovation of The Lucky Chance in Frome and is intended to match the value of the fixed asset on the balance sheet.

Level of The Lucky Chance designated fund at March 2025: £429,982

Artistic Associate fund

A fund designated to support exceptional artists who have had a longstanding association with the company to develop their independent practice, with a target figure of £20,000.

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Trustees' Report
For the year ended 31 March 2025

Level of Artistic Associate fund: £20,000

Capital fund

Designated to fund a second phase of capital works at The Lucky Chance for completion across calendar year 2026.

Level of Capital fund: £150,000

Restricted

The restricted fund at the year end holds donations received in respect of capital works on The Lucky Change as part of its redevelopment that are so far unspent.

Level of restricted funds at March 2025: £19,545

The trustees review the company's reserves policy in detail on a regular basis.

Plans for future periods

Plans for 2025/26 include the UK tour of *North by Northwest*, a new Christmas show at The Lucky Chance, and the revival of our popular 2019 production of Enid Blyton's *Malory Towers*. We'll continue to expand the Wise Children Training Programme, adding a strand of work for teachers and educators, and a series of income-generating Masterclasses.

We are also planning to rebrand the company, renaming ourselves Emma Rice Company and launching a new website. We made this decision after much deliberation for two reasons. The first is that, as we do more international touring, we are increasingly faced with audiences assuming we make children's theatre and have come to realise that our name is not helping us communicate the kind of work we make. We also have plans to revive some of Emma's past work, from her time at Kneehigh, and at Shakespeare's Globe, and feel it will be simpler and clearer to bring these chapters together under the umbrella of the name Emma Rice Company.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 the group and of the incoming resources and application of resources for that period. In preparing those 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable group's auditors are unaware;
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.


Wise Children Limited
Trustees' Report
For the year ended 31 March 2025

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

Members of the parent charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2025 was 6.

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Approved by the Trustees on 15th September 2025 and signed on their behalf by:

Signed by:

B437A93F2B5E4DA...

Name: Clare Reddington, Chair

Trustee

Wise Children Limited
Independent Auditors' Report
For the year ended 31 March 2025

Opinion

We have audited the financial statements of Wise Children Limited (the 'parent charitable company') and its subsidiary ('the group') for the year ended 31 March 2025 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the consolidated and charity Balance Sheets, consolidated statement of cash flows and the 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2025 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

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.

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Independent Auditors' Report
For the year ended 31 March 2025

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included within the Trustees' Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are Required to Report by Exception

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

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

- Proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 group and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.

Wise Children Limited
Independent Auditors' Report
For the year ended 31 March 2025

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.

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

- The group and the parent charity is required to comply with charity law and, based on our knowledge of their activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the group and parent charity complied with their legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the group and parent charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://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 parent charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Liv Burrell (Senior Statutory Auditor)
For and on behalf of Knox Cropper LLP (Statutory Auditor)
65 Leadenhall Street
London
EC3A 2AD

Date:

Wise Children Limited
Consolidated Statement of Financial Activities
(Including the Income and Expenditure Account)
For the year ended 31 March 2025

	Note	Unrestricted Funds	Restricted Funds	Total Funds Year Ended 2025	Total Funds Year Ended 2024
INCOME AND EXPENDITURE		£	£	£	£
Income from:					
Grants and Donations	2	557,905	95,000	652,905	739,059
Charitable Activities	3	2,723,513	-	2,723,513	1,291,213
Investments		5,988	-	5,988	6,687
Total Income		<u>3,287,406</u>	<u>95,000</u>	<u>3,382,406</u>	<u>2,036,959</u>
Expenditure upon:					
Raising Funds	4	37,321	-	37,321	45,713
Charitable Activities					
Productions		2,903,595	80,000	2,983,595	1,719,065
Wise Children Training Programme		74,256	19,000	93,256	42,886
The Lucky Chance		25,951	14,454	40,405	17,174
Total Expenditure	4	<u>3,041,123</u>	<u>113,454</u>	<u>3,154,577</u>	<u>1,951,773</u>
Gain/(loss) on revaluation of investments		4,655	-	4,655	12,158
Net Income/(Expenditure)		<u>250,938</u>	<u>(18,454)</u>	<u>232,484</u>	<u>97,344</u>
Transfers between funds	14	<u>22,160</u>	<u>(22,160)</u>	-	-
Net Movement in funds for the year		<u>273,098</u>	<u>(40,614)</u>	<u>232,484</u>	<u>213,504</u>
Net funds at 1 April 2024		<u>1,328,468</u>	<u>60,159</u>	<u>1,388,627</u>	<u>1,291,283</u>
Net funds at 31 March 2025		<u>1,601,566</u>	<u>19,545</u>	<u>1,621,111</u>	<u>1,388,627</u>

The notes on pages 16 to 29 form part of these financial statements.

All activities derived from continuing operations in each of the above two financial periods.


All recognised gains or losses are included in the above Statement of Financial Activities.

Wise Children Limited
Consolidated Balance Sheets
For the year ended 31 March 2025

	Notes	GROUP		CHARITY	
		2025	2024	2025	2024
		£	£	£	£
Fixed Assets					
Tangible Assets	9	432,455	418,883	432,455	418,883
Investments	10	136,813	132,158	136,913	132,158
		<u>569,268</u>	<u>551,041</u>	<u>569,368</u>	<u>551,041</u>
Current Assets					
Stock	11	5,095	995	5,095	995
Debtors	12	1,030,621	811,645	1,030,621	811,645
Cash at bank and in hand		470,439	319,455	470,439	319,455
		<u>1,506,155</u>	<u>1,132,095</u>	<u>1,506,155</u>	<u>1,132,095</u>
Creditors: Amounts falling due within one year	13	(454,312)	(294,509)	(454,412)	(294,509)
		<u>1,051,843</u>	<u>837,586</u>	<u>1,051,743</u>	<u>837,586</u>
Net Current Assets		<u>1,051,843</u>	<u>837,586</u>	<u>1,051,743</u>	<u>837,586</u>
Total Assets Less Liabilities		<u>1,621,111</u>	<u>1,388,627</u>	<u>1,621,111</u>	<u>1,388,627</u>
Funds					
Restricted	14	19,545	60,159	19,545	60,159
Unrestricted					
Designated funds	14	1,101,982	826,771	1,101,982	826,771
General funds	14	499,584	501,697	499,584	501,697
		<u>1,621,111</u>	<u>1,388,627</u>	<u>1,621,111</u>	<u>1,388,627</u>

The notes on pages 16 to 29 form part of these financial statements.

The financial statements were approved by the Board and authorised for issue on 15th September 2025 and signed on its behalf by:

Signed by:

 B437A93F2B5E4DA...

Name: Clare Reddington

Trustee

Company Registration Number: 10547581

Registered Charity Number: 1178358

Wise Children Limited
Consolidated Cash Flow Statements
For the year ended 31 March 2025

	Notes	Year Ended 31 March 2025	Year Ended 31 March 2024
		£	£
Net cash (used in)/provided by operating activities	16	169,252	(131,920)
Net cash (used in)/provided by investing activities	17	<u>(18,268)</u>	<u>(208,645)</u>
Net change in cash and cash equivalents in the period		<u>150,984</u>	<u>(340,565)</u>
Reconciliation of net cash flow to movement in net cash			
Movement in net cash in the period		150,984	(340,565)
Net cash and cash equivalents brought forward		<u>319,455</u>	<u>660,020</u>
Net cash and cash equivalents carried forward		<u>470,439</u>	<u>319,455</u>

The charity has not provided an analysis of changes in net debt as it does not have any long-term financing arrangements.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

1 Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention (with the exception of investments measured at fair value) and in accordance with the accounting policies set out in the notes to the financial statements. The financial statements comply with the charity's governing document, the Charities Act 2011, the accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102 second edition – effective from January 2019).

The Charity is a Public Benefit Entity as defined by FRS102. The financial statements are prepared in Sterling, which is the functional currency of the Group.

Going Concern

The accounts have been prepared on the assumption that the charitable group is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charitable group's ability to continue as a going concern.

Consolidation

The Statement of Financial Activities and Balance Sheet consolidate the results of the subsidiary company, Wise Children Productions Ltd.

Income

Income is recognised when the charitable group has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Income received in advance of provision of theatrical productions or training events is deferred until criteria for income recognition are met.

Income from investments and interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable group.

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Wherever possible costs are directly attributed to these headings. Costs common to more than one area are apportioned on the basis of staff time. Governance costs are those incurred in the governance of the charitable group and are primarily associated with the constitutional and statutory requirements. These are included within the support costs of the charitable group.

Irrecoverable VAT is charged as a cost against the activity for which expenditure was incurred.

Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund, and the basis of transfers to or from them, are set out in Note 14.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

Tangible Fixed Assets

Items with a value greater than £500 are capitalised. Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

The depreciation rates in use are as follows:

Renovation Works	2% per annum on cost, straight line
Computer Equipment	33.3% per annum on cost, straight line

The Trustees review the tangible fixed assets annually for any evidence of impairment, where there is objective evidence of impairment the entity recognises the loss in the SOFA immediately.

Investments

Investments are initially measured at their cost and subsequently measured at their fair value at each reporting date. Fair value is based on the quoted price for listed investments at the balance sheet date. Changes in fair value and gains and losses arising on the disposal of Investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on investments' and are allocated to the appropriate fund holding or disposing of the relevant investment.

Debtors and Creditors

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

Creditors and provisions are recognised where the charitable group 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.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and Cash Equivalents

Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less.

Financial Instruments

The charitable group only has basic financial instruments as defined under Section 11 of FRS 102. Basic financial instruments are recognised initially at transaction value and subsequently at settlement value.

Pensions

The parent charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

Accounting estimates and key judgements

In the application of the charitable group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation and theatre tax relief.

Theatre Tax Relief

The Group has estimated the credit receivable under Theatre Tax Relief based on its eligible production expenditure incurred during the period. The amount is included within income from charitable activities and accrued income at the year end. As this amount is subject to review and approval by HMRC, actual results may differ.

2 INCOME FROM GRANTS AND DONATIONS

	Unrestricted Funds	Restricted Funds	Total 2025	Total 2024
	£	£	£	£
Individual Donations	41,508	5,000	46,508	78,310
Gift Aid	3,397	-	3,397	-
Grants Receivable for Core Activities				
Arts Council England	483,000	80,000	563,000	483,000
Backstage Trust	-	-	-	20,000
Cockayne	-	-	-	25,000
Garrick Charitable Trust	-	-	-	2,500
The John Ellerman Foundation	30,000	-	30,000	30,000
Noel Coward Foundation	-	5,000	5,000	4,000
Victoria Wood Foundation	-	5,000	5,000	2,749
Garfield Weston Foundation	-	-	-	20,000
Wolfson Foundation	-	-	-	73,500
Total Income from Grants and Donations	<u>557,905</u>	<u>95,000</u>	<u>652,905</u>	<u>739,059</u>
Income from Grants and Donations 2024	<u>566,310</u>	<u>172,749</u>	<u>739,059</u>	

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2025	Total 2024
	£	£	£	£
Income from Production Contracts	1,680,505	-	1,680,505	815,787
Box Office and Royalties	175,648	-	175,648	49,417
Theatre Tax Relief	757,806	-	757,806	369,996
Other Charitable Activities	109,554	-	109,554	56,013
	<u>2,723,513</u>	<u>-</u>	<u>2,723,513</u>	<u>1,291,213</u>
Income from Charitable Activities 2024	<u>1,291,213</u>	<u>-</u>	<u>1,291,213</u>	

Total Income includes £2,095,207 charged by WCPL to cover the cost of productions in the year, and £692,122 of Theatre Tax Relief claimed by WCPL.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

4 RESOURCES EXPENDED ON:

	Staff Costs	Other Direct Costs	Support Costs (Note 5)	Total 2025
	£	£	£	£
Raising Funds				
Cost of Generating Funds	21,495	3,590	12,236	37,321
	<u>21,495</u>	<u>3,590</u>	<u>12,236</u>	<u>37,321</u>
Charitable Activities				
Productions	760,227	1,597,405	625,963	2,983,595
Wise Children Training Programme	26,970	57,697	8,589	93,256
The Lucky Chance	14,691	22,387	3,327	40,405
	<u>801,888</u>	<u>1,677,489</u>	<u>637,879</u>	<u>3,117,256</u>
Total Expenditure	<u>823,383</u>	<u>1,681,079</u>	<u>650,115</u>	<u>3,154,577</u>

Production costs include £2,787,329 charged to WCPL in the year for the production of four shows.

Comparative Resources Expended

	Staff Costs	Other Direct Costs	Support Costs (Note 5)	Total 2024
	£	£	£	£
Raising Funds				
Cost of Generating Funds	20,622	1,870	23,221	45,713
	<u>20,622</u>	<u>1,870</u>	<u>23,221</u>	<u>45,713</u>
Charitable Activities				
Productions	443,619	889,970	385,476	1,719,065
Wise Children Training Programme	23,064	62,242	13,933	99,239
The Lucky Chance	23,152	22,806	41,798	87,756
	<u>489,835</u>	<u>975,018</u>	<u>441,207</u>	<u>1,906,060</u>
Total Expenditure	<u>510,457</u>	<u>976,888</u>	<u>464,428</u>	<u>1,951,773</u>

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

5 SUPPORT COSTS

	Raising Funds	Productions	Wise Children Training Programme	The Lucky Chance	Total 2025
	£	£	£	£	£
Staff Costs	8,804	450,393	6,180	2,394	467,771
Other Staff Costs	329	16,850	231	90	17,500
Rent and Office Costs	660	33,743	463	179	35,045
Off-Site Storage	838	42,847	588	228	44,501
IT Costs	422	21,580	296	115	22,413
Advertising & Marketing	132	6,762	93	36	7,023
Legal & Professional Fees	186	9,507	130	51	9,874
Audit & Accountancy	383	19,574	269	104	20,329
Depreciation	33	1,671	23	9	1,736
Governance	11	562	8	3	583
Other Costs	439	22,474	308	119	23,341
	<u>12,236</u>	<u>625,963</u>	<u>8,589</u>	<u>3,327</u>	<u>650,115</u>

Comparative Support Costs

	Raising Funds	Productions	Wise Children Training Programme	The Lucky Chance	Total 2024
	£	£	£	£	£
Staff Costs	17,674	293,396	10,605	31,814	353,489
Other Staff Costs	693	11,503	416	1,247	13,859
Rent and Office Costs	1,709	28,364	1,025	3,076	34,174
IT Costs	495	8,212	297	890	9,894
Advertising & Marketing	351	5,819	210	631	7,011
Legal & Professional Fees	544	9,024	326	979	10,873
Audit & Accountancy	641	10,650	385	1,155	12,831
Depreciation	534	8,873	321	962	10,690
Governance	49	819	30	89	987
Other Costs	531	8,816	318	955	10,620
	<u>23,221</u>	<u>385,476</u>	<u>13,933</u>	<u>41,798</u>	<u>464,428</u>

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

6 NET MOVEMENT IN FUNDS

This is stated after charging:

	2025	2024
	£	£
Depreciation of fixed assets	10,684	10,690
Trustees' remuneration	-	-
Trustees' reimbursed expenses	126	958
Auditors' remuneration		
Statutory audit	7,200	6,600
Other services	575	350
	10,705	18,598

7 STAFF COSTS AND NUMBERS

Staff costs were as follows:

	2025	2024
	£	£
Salaries and Wages	441,171	359,356
Social Security Costs	42,834	36,936
Pension Costs	8,631	9,828
Freelance Production Staff	798,518	457,826
	1,291,154	863,945

Two employees received remuneration in excess of £60,000 in the year (2024: 2) as follows:

	2025	2024
£60,001 - £70,000	1	1
£80,001 - £90,000	1	1
	2	2

The key management personnel of the charitable company comprise the Artistic Director, the Executive Director and the Creative Director. The total employee benefits of the key management personnel were £221,379 (2024: £210,376).

	2025	2024
Average staff during the year	11.5	11.6

8 TAXATION

The parent charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

9 TANGIBLE FIXED ASSETS – GROUP AND CHARITY

	Freehold Property	Computer Equipment	Total
	£	£	£
Cost			
At 31 March 2024	425,277	7,049	432,326
Additions	<u>22,160</u>	<u>2,096</u>	<u>24,256</u>
At 31 March 2025	<u>447,437</u>	<u>9,145</u>	<u>456,582</u>
Depreciation			
At 31 March 2024	8,506	4,937	13,443
Charge for the year	<u>8,949</u>	<u>1,736</u>	<u>10,684</u>
At 31 March 2025	<u>17,455</u>	<u>6,673</u>	<u>24,127</u>
Net Book Value			
At 31 March 2025	<u>429,982</u>	<u>2,473</u>	<u>432,455</u>
At 31 March 2024	<u>416,771</u>	<u>2,112</u>	<u>418,883</u>

10 FIXED ASSET INVESTMENTS

	GROUP		CHARITY	
	2025	2024	2025	2024
	£	£	£	£
Investment in Unit Trusts (Note 10a)	136,813	132,158	136,813	132,158
Investment in Subsidiary (Note 10b)	-	-	100	-
	<u>136,813</u>	<u>132,158</u>	<u>136,913</u>	<u>132,158</u>

10a Investment in Unit Trusts

	GROUP		CHARITY	
	2025	2024	2025	2024
	£	£	£	£
Market value brought forward	132,158	-	132,158	-
Additions	-	120,000	-	120,000
Disposals	-	-	-	-
Unrealised gain/(loss) on investment	<u>4,655</u>	<u>12,158</u>	<u>4,655</u>	<u>12,158</u>
	<u>136,813</u>	<u>132,158</u>	<u>136,813</u>	<u>132,158</u>
Historical Cost	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

10b Investment in Subsidiary

The wholly owned trading subsidiary Wise Children Productions Limited, which is incorporated in England and Wales, was incorporated on 19 July 2024. WCPL's was established to act as the theatre production company for the charity's productions. The charity holds the entire issued share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below.

	Period ending 31 March 2025
INCOME STATEMENT	£
Turnover	2,787,329
Administration costs	(2,653,168)
Distribution costs	(134,161)
Operating Profit	<u>-</u>
Tax on profit	-
Profit for the Financial Period	<u>-</u>
BALANCE SHEET	
Current assets	
Debtors	692,222
Creditors: amounts due within one year	(692,122)
Total assets less current liabilities	<u>100</u>
Capital and Reserves	
Called up share capital	<u>100</u>

11 STOCK

	GROUP		CHARITY	
	2025	2024	2025	2024
	£	£	£	£
Stock	5,095	995	5,095	995
	<u>5,095</u>	<u>995</u>	<u>5,095</u>	<u>995</u>

Stock is made up of bar inventory for resale.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

12 DEBTORS

	GROUP		CHARITY	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	246,010	391,548	246,010	391,548
Provision for doubtful debts	-	(37,828)	-	(37,828)
Prepayments and Accrued Income	83,333	455,818	83,333	455,818
Other Debtors	701,278	2,107	701,278	2,107
	<u>1,030,621</u>	<u>811,645</u>	<u>1,030,621</u>	<u>811,645</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		CHARITY	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	80,220	67,184	80,220	67,184
Accruals	245,802	86,073	245,802	86,073
Social security and other taxes	18,441	25,360	18,441	25,360
Other Creditors	593	739	693	739
VAT	(22,010)	40,320	(22,010)	40,320
Deferred Income	131,266	74,833	131,266	74,833
	<u>454,312</u>	<u>294,509</u>	<u>454,412</u>	<u>294,509</u>

	GROUP		CHARITY	
	2025	2024	2025	2024
	£	£		
Deferred income				
Balance at 1 April 2024	74,833	20,000	74,833	20,000
Amount released in year	(74,833)	(20,000)	(74,833)	(20,000)
Amount deferred in the year	131,266	74,833	131,266	74,833
Balance at 31 March 2025	<u>131,266</u>	<u>74,833</u>	<u>131,266</u>	<u>74,833</u>

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

14 STATEMENT OF FUNDS

GROUP

	Balance at 2024	Income	Expenditure	Transfers & Investment Gain/Loss	Balance at 2025
RESTRICTED FUNDS					
Wise Children Training Programme	4,000	15,000	(19,000)	-	-
Wuthering Heights International Tour	-	80,000	(80,000)	-	-
The Lucky Chance Capital Works	56,159	-	(14,454)	(22,160)	19,545
TOTAL RESTRICTED FUNDS	60,159	95,000	(113,454)	(22,160)	19,545
UNRESTRICTED FUNDS					
<i>GENERAL FUNDS</i>					
Wise Children General Funds	501,697	500,077	(253,794)	(248,396)	499,584
Wise Children Productions Ltd	-	2,787,329	(2,787,329)	-	-
<i>TOTAL GENERAL FUNDS</i>	<i>501,697</i>	<i>3,287,406</i>	<i>(3,041,123)</i>	<i>(248,396)</i>	<i>499,584</i>
<i>DESIGNATED FUNDS</i>					
Operational Fund	160,000	-	-	92,000	252,000
Development Fund	250,000	-	-	-	250,000
Artistic Associate Fund	-	-	-	20,000	20,000
The Lucky Chance Phase 2 Capital Fund	-	-	-	150,000	150,000
The Lucky Chance	416,771	-	-	13,211	429,982
<i>TOTAL DESIGNATED FUNDS</i>	<i>826,771</i>	<i>-</i>	<i>-</i>	<i>275,211</i>	<i>1,101,982</i>
TOTAL UNRESTRICTED FUNDS	1,328,468	3,287,406	(3,041,123)	26,815	1,601,566
TOTAL FUNDS	1,388,627	3,382,406	(3,154,577)	4,655	1,621,111

CHARITY	Balance at 2024	Income	Expenditure	Transfers & Investment Gain/Loss	Balance at 2025
RESTRICTED FUNDS					
Wise Children Training Programme	4,000	15,000	(19,000)	-	-
Wuthering Heights International Tour	-	80,000	(80,000)	-	-
The Lucky Chance Capital Works	56,159	-	(14,454)	(22,160)	19,545
TOTAL RESTRICTED FUNDS	60,159	95,000	(113,454)	(22,160)	19,545
UNRESTRICTED FUNDS					
<i>GENERAL FUNDS</i>					
	501,697	500,077	(253,794)	(248,396)	499,584
<i>DESIGNATED FUNDS</i>					
Operational Fund	160,000	-	-	92,000	252,000
Development Fund	250,000	-	-	-	250,000
Artistic Associate Fund	-	-	-	20,000	20,000
The Lucky Chance Phase 2 Capital Fund	-	-	-	150,000	150,000
The Lucky Chance	416,771	-	-	13,211	429,982
<i>TOTAL DESIGNATED FUNDS</i>	<i>826,771</i>	<i>-</i>	<i>-</i>	<i>13,211</i>	<i>1,101,982</i>
TOTAL UNRESTRICTED FUNDS	1,328,468	500,077	(253,794)	26,815	1,601,566
TOTAL FUNDS	1,388,627	595,077	(367,248)	4,655	1,621,111

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

Purposes of restricted funds

Wise Children Training Programme	To support activity in Wise Children’s Professional Development Programme (previously named the School for Wise Children)
Wuthering Heights International Tour	This Arts Council England grant supports Wise Children’s international tour of Wuthering Heights across East Asia, building cultural exchange and reaching new global audiences. The restricted fund will be used solely for delivery of this project.
The Lucky Chance Capital Fund	To hold funds raised to complete the renovation of the old Portway Methodist Church in Frome, to become Wise Children’s home venue and rehearsal space.

Purposes of designated funds

Operational Fund	To maintain a fund of between 3- and 6-months core expenditure, to ensure sufficient funds are available to cover core running and governance costs in the event of the company’s dissolution
Development Fund	To allow the company to take risks with new work and touring, the company intends to build this reserve to £250,000
Artistic Associate Fund	Supporting exceptional artists who have had a longstanding association with the company to develop their own work.
The Lucky Chance Phase 2 Capital Works	This second phase of works will focus primarily on developing and upgrading the outside space, with the aim of enhancing facilities, creating a more welcoming environment, and improving the overall visitor experience.
The Lucky Chance	This designated fund represents the value of the expenditure to date on the purchase and renovation of The Lucky Chance in Frome and will be released against unrestricted funds as the property is depreciated.

STATEMENT OF FUNDS COMPARATIVE – GROUP AND CHARITY

	Balance at 2023	Income	Expenditure	Transfers & Investment Gain/Loss	Balance at 2024
RESTRICTED FUNDS					
Wise Children Training Programme	-	33,249	(29,249)	-	4,000
The Mahabharata	-	1,000	(1,000)	-	-
Blue Beard Adaptation	-	25,000	(25,000)	-	-
The Lucky Chance Capital Works	59,102	113,500	(21,626)	(94,817)	56,159
TOTAL RESTRICTED FUNDS	59,102	172,749	(76,875)	(94,817)	60,159
UNRESTRICTED FUNDS					
<i>GENERAL FUNDS</i>	491,721	1,864,210	(1,874,898)	20,664	501,697
<i>DESIGNATED FUNDS</i>					
Operational Fund	160,000	-	-	-	160,000
Development Fund	250,000	-	-	-	250,000
The Lucky Chance	330,460	-	-	86,311	416,771
<i>TOTAL DESIGNATED FUNDS</i>	740,460	-	-	86,311	826,771
TOTAL UNRESTRICTED FUNDS	1,232,181	1,864,210	(1,874,898)	106,975	1,328,468
TOTAL FUNDS	1,291,283	2,036,959	(1,951,773)	12,158	1,388,627

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP AND CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2025 £
Non-Current Assets	139,286	429,982	-	569,268
Current Assets	814,610	672,000	19,545	1,506,155
Creditors: Due Within One Year	(454,312)	-	-	(404,312)
	<u>499,584</u>	<u>1,101,982</u>	<u>19,545</u>	<u>1,671,111</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS COMPARATIVE

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2024 £
Non-Current Assets	134,270	416,771	-	551,041
Current Assets	661,936	410,000	60,159	1,132,095
Creditors: Due Within One Year	(294,509)	-	-	(294,509)
	<u>501,697</u>	<u>826,771</u>	<u>60,159</u>	<u>1,388,627</u>

16 RECONCILIATION OF NET INCOME FROM OPERATING ACTIVITIES TO NET CASHFLOWS

	2025 £	2024 £
Net Income for the reporting period	232,484	97,344
Investment income	(5,988)	(6,687)
Depreciation	10,684	10,690
Losses/(Gain) on investments	(4,655)	(12,158)
Decrease/(Increase) in stock	(4,100)	(995)
Decrease/(Increase) in debtors	(218,976)	(364,876)
(Decrease)/Increase in creditors and provisions	<u>159,803</u>	<u>144,762</u>
Net cash (used by)/provided from operating activities	<u>169,252</u>	<u>(131,920)</u>

17 Cash Flows from Investing Activities

	2025 £	2024 £
Interest Received	5,988	6,687
Purchase of Fixed Asset Investment	-	(120,000)
Purchase of Tangible Asset	<u>(24,256)</u>	<u>(95,332)</u>
Net cash (used by)/provided from operating activities	<u>(18,268)</u>	<u>(208,645)</u>

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

18 Related Parties

During the year, there were recharges of production costs from Wise Children to Wise Children Productions Ltd (a 100% owned subsidiary of the charity) of £2,787,329 and production fees of £2,095,207 returned to Wise Children. At the year end, there was a debtor balance in Wise Children of £692,122 relating to a TTR claim still payable from Wise Children Productions Ltd.

19 Surplus for the Financial Year

As permitted by section 408 Companies Act 2006, Wise Children’s individual Statement of Financial Activities has not been included in these financial statements. The surplus for the year is made up as follows:

	2025	2024
	£	£
Wise Children’s individual surplus for the financial year	232,484	97,344

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2025

20 Comparative Fund and SOFA Balances

	Note	Unrestricted Funds	Restricted Funds	Total Funds Year Ended 2024
		£	£	£
INCOME AND EXPENDITURE				
Income from:				
Grants and Donations	2	566,310	172,749	739,059
Charitable Activities	3	1,291,213	-	1,291,213
Investments		6,687	-	6,687
Total Income		<u>1,864,210</u>	<u>172,749</u>	<u>2,036,959</u>
Expenditure upon:				
Raising Funds	4	45,713	-	45,713
Charitable Activities				
Productions		1,693,065	26,000	1,719,065
Wise Children Training Programme		69,990	29,249	99,239
The Lucky Chance		66,130	21,626	87,756
Total Expenditure	4	<u>1,874,898</u>	<u>76,875</u>	<u>1,951,773</u>
Gain/(loss) on revaluation of investments		12,158	-	12,158
Net Income/(Expenditure)		<u>1,470</u>	<u>95,874</u>	<u>97,344</u>
Transfers between funds	14	<u>94,817</u>	<u>(94,817)</u>	<u>-</u>
Net Movement in funds for the year		96,287	1,057	97,344
Net funds at 1 April 2023		<u>1,232,181</u>	<u>59,102</u>	<u>1,291,283</u>
Net funds at 31 March 2024		<u><u>1,328,468</u></u>	<u><u>60,159</u></u>	<u><u>1,388,627</u></u>

WISE CHILDREN LIMITED

England & Wales - Charity number 1178358

Accounts

Company Number: 10547581
Charity Number: 1178358

Wise Children Limited
Report and Audited Financial Statements
For the Year Ended 31 March 2024

Wise Children Limited
Financial Statements
For the year ended 31 March 2024

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Wise Children Limited
Reference and Administrative Details
For the year ended 31 March 2024

Company Number	10547581
Charity Number	1178358
Registered Office	Unit G1 Temple 1852 (Bristol & Exeter House) Temple Campus Lower Approach Road Bristol BS1 6QA
Board of Trustees	Matthew Armstrong (resigned 1 January 2024) Judith Dimant Allegra Galvin (resigned 9 October 2023) Anthony Gayle (resigned 17 June 2024) Kane Husbands (appointed 8 January 2024) Irma Inniss (appointed 17 June 2024) Clare Reddington (Chair) Nicholas Rogers Yuko Thomas
Artistic Director	Emma Rice
Executive Director	Poppy Keeling
Creative Director	Simon Baker
Auditor	Knox Cropper LLP 65 Leadenhall Street London EC3A 2AD
Bankers	Natwest 40 Queens Road Bristol BS8 1BF

Wise Children Limited
Trustees' Report
For the year ended 31 March 2024

The trustees (who are also the Directors of the charitable company for the purposes of the Companies Act) present their combined Directors' report and Trustees' annual report, as required by company law, along with the financial statements of the charitable company for the year ended 31 March 2024.

The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, Charities Act 2011, the Companies Act 2006, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in January 2015. The Trustees and Directors Reports have been combined under the Companies Act 2006.

Structure, Governance and Management

Constitution

Wise Children is a private company limited by guarantee registered in England & Wales, company number 10547581. Its governing document is its Memorandum and Articles of Association. The company is a registered charity, number 1178358.

Directors and Trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association, the trustees are appointed by the existing Board of Trustees. A member of the Board of Trustees must propose such a person for election. Notice shall be given to the Board of Trustees for the meeting at which it is intended to propose such persons for election, stating the object of the meeting, the name and address of the person to be proposed, and the name of the board member.

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated into quarterly trustees' meetings.

Leadership

Artistic Director Emma Rice, Executive Director Poppy Keeling and Creative Director Simon Baker make up the organisation's Leadership Team, managed by and reporting to the trustees. They are jointly responsible for the day-to-day running of and decision-making at the charity.

The trustees oversee Leadership Team contracts and pay, which are set in line with industry standards and reviewed annually.

Objectives and activities

The charity's purposes are:

- to advance education in the arts for the public benefit, in particular, but not exclusively, by the provision of training for young people;
- and to promote the arts generally with particular reference to creating and touring theatrical works for the public benefit.

Wise Children is an international touring theatre company, based in the South West. Led by award-winning director Emma Rice, we make ground-breaking and accessible work with exceptional artists which we tour across the UK and the world. Alongside shows we run our lauded Training Programme, a unique professional development initiative through which we nurture the next generation of diverse, independent theatre makers.

Wise Children launched in 2018, when we became an Arts Council England (ACE) National Portfolio Organisation (NPO): our current Portfolio funding is secured until 2026.

Since our launch we have produced seven critically acclaimed original productions which have been seen by more than 260,000 people in 24 cities worldwide. Many of these were made through co-productions with the UK's leading theatre organisations, including the Royal Shakespeare Company, the National Theatre and the Old Vic. Our work has also been commissioned by the BBC and Sky Arts, with our digital work reaching an estimated 300,000 people.

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'The quality, originality and invention of Wise Children's work, combined with its ambition to reach audiences across the nation, make it an invaluable asset to the UK's cultural scene. With their commitment to diversifying the industry through the School for Wise Children, the company is amongst the most exciting and important organisations making theatre today.' Kate Varah, Executive Director, National Theatre

Our Artistic Director Emma Rice is amongst the UK's best known and loved theatre directors. Her celebrated 30-year career has included being Artistic Director of Cornish theatre company Kneehigh and of Shakespeare's Globe, London. In 2019, she received the UK Theatre Award for Contribution to British Theatre: 'Theatre maker Emma Rice was presented with this special award in recognition of the unique, innovative and socially relevant work that she has created and directed all over the country, and her significant influence on the contemporary theatre landscape.' In 2022, she was named one of Sky Arts '50 most influential British artists of the last 50 years'.

The Training Programme also started in 2018 and we've run 57 practical courses with over 1,000 theatre makers, seven of whom now work with us regularly. We evaluate the School's impact through surveys and case studies: feedback from students is always hugely positive. 'Being able to work alongside and learn from Emma has been an invaluable experience and one that has equipped me with new tools, methods and techniques that I can take forward into future work. I felt challenged, pushed creatively, motivated & inspired on a daily basis!' (Wuthering Heights Trainee Director)

In shaping our objectives and planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

New Work

2023/24 has been an extraordinarily productive year, with achievements including the creation of two original theatre shows written/adapted and directed by Emma.

The first is Blue Beard, Emma's unflinching take on the gruesome folk tale, which premiered at Theatre Royal Bath in February 2024 before a UK tour taking in Manchester, York, Edinburgh, Birmingham and ending with a month at London's Battersea Arts Centre.

The show was rapturously received by critics and audiences, with reviews calling the show 'fearless, furious and brilliant' (The Stage), 'an urgent story of male violence against women for our times' (The Guardian), and 'a glittering and enthralling cabaret of feminist resistance' (The Scotsman).

Audience feedback was also overwhelmingly positive, including 96% of educators saying it had inspired the groups of students they brought to see it. One wrote in to say: 'The students and staff were moved to tears, the girls (we're an all-girls school) can't stop talking about it, some booked to go and see it again, most of them bought a script so they can keep re-reading it, and they keep remembering bits and running to discuss them. It was truly mind-blowing. Such an important, thought-provoking, empowering, exciting piece of theatre. I wish I could see it again and I'm thrilled I get to continue studying it with my exam group girls.'

We secured a commission from streaming platform Marquee TV to create a film of the show, and Blue Beard will be available to watch worldwide from October 2024.

We also collaborated with the Royal Shakespeare Company (RSC) to create The Buddha of Suburbia. Adapted from Hanif Kureishi's iconic 1980s novel by Emma, with Hanif, The Buddha of Suburbia opened at the RSC's Swan Theatre in Stratford-upon-Avon in April 2024. It was the first production to take place in the Swan under the RSC's new Artistic Directors Daniel Evans and Tamara Harvey.

The production's slew of five-star reviews (the Times called it 'an intoxicating, five-star show' and the Telegraph wrote 'Emma Rice has nailed it'), meant the originally scheduled six-week RSC run was extended when we secured a last minute transfer to the Barbican, London, for October 2024.

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For the year ended 31 March 2024

Revivals

Alongside making new work, we revived our 2021/22 National Theatre co-production *Wuthering Heights* for presentation at the Holland Festival. This was notable as being the first time Emma's work has been seen in Europe, and we hope it will be the first of many.

Slow Touring

The *Blue Beard* tour was the launch of our 'slow touring' initiative, our attempt to solve some of the longstanding challenges posed by the traditional regional theatre touring model for staff and crew.

It was clear for us all to see the benefits of this throughout the tour, with actors, stage managers and technicians reporting and displaying higher levels of happiness and wellbeing than we have seen on previous touring shows.

At the heart of slow touring is staying for longer in each city, and *Blue Beard* saw us play for two weeks in Bath, York, Manchester and Birmingham, for three in Edinburgh and for four in London. These longer stays meant we were able to secure significantly better accommodation and that company members had more time off to settle into and enjoy their new surroundings. They were also able to have family visit, stay or even travel with us – and we had one young mum in the company whose partner and 18-month-old were with us for several sections of the tour. Our understudy did not even perform once (sadly for him!) and we had no injuries or complaints. The company were happy and harmonious for the whole tour, despite the show's emotionally complex material. We count this as a huge success.

The Lucky Chance

A highlight of 2023 was starting to work at our new home, *The Lucky Chance*, in Frome.

We had purchased the former Methodist chapel in summer 2022, and begun slowly renovating the building, with work continuing across 2023. Despite significant building work (including installing a bar, a new kitchen, toilets, energy-efficient heat and electricity systems, replacing a staircase and insulating the roof), we were able to be flexible with the construction schedule, and all our core activity took place in the building.

In addition to 'R&D' on four potential new shows, we got the building ready for a 'soft opening' to the public at Christmas 2023 when we staged a three-week run of *The Little Matchgirl and Happier Tales*, adapted by Emma Rice and Joel Horwood from a series of Hans Christian Andersen stories, and directed by Emma. The show was a huge success, with excellent reviews, queues for return tickets after we totally sold out and nightly carol-singing in the makeshift bar. The first week of performances were offered free to 360 local schoolchildren from schools within walking distance of the theatre, and we gave free tickets to members of local community organisations through our outreach scheme 'Home Crowd'. In total, 1,385 people saw the show, and a huge amount of goodwill and excitement was generated locally, confirming our hopes that *The Lucky Chance* will be a fabulous public performance space, and addition to the Frome arts scene.

Wise Children's Training Programme

Following a review of the School for Wise Children, a number of changes were made to the programme's structure, and its name was changed to the *Wise Children Training Programme*.

2023/24 - highlights included:

- The first performers' course taking place at *The Lucky Chance* in July 2023. Students spent a week creating work with Emma, composer Ian Ross, Associate Director Laura Keefe and movement/puppetry director John Leader. The week was a resounding success with one participant writing: 'Getting to experience Emma's specific brand of supportive, no bullshit, playful, get-shit-done-ness was incredibly inspiring. Huge thanks to all the leaders for their bravery and grace and good humour throughout the week.'
- For a second year, we also offered a paid Stage Manager Traineeship alongside the course and had newly-qualified Stage Manager Elliott running the room with support and mentoring from the team. He fed back: 'I thoroughly enjoyed the course – there was always a good level of support, but it never became overbearing or obstructive. From the very beginning each leader was consistently friendly and kind - I felt welcome and valued from the moment I entered the space.'
- In September we completed our second 'Pick & Mix' residency, bringing together second-year drama students from schools across the country. The students worked with Emma, Laura, Ian & John for a

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week at the Lucky Chance and we had great feedback from all, including: 'Because of the Wise Children team, you feel like an actual professional and a part of the team, which makes you work even harder. The kindness, generosity and creativity behind their process was a big inspiration.'

- We also created two paid traineeships on Blue Beard. Our Trainee Director toured full time with the show, tech'ing the show into each new venue and running Training Programme Taster workshops in each city; and our Trainee Wardrobe technician's work on Blue Beard was part of a larger traineeship created in partnership with York Theatre Royal and funded by the Theatre Artist's Fund in which she completed a year-long (paid) placement, and is now permanently employed.

Working with schools

In November 2023, we became the theatre partner on a pilot programme led by Somerset Council's Creative Learning & Education Schools Programme. The programme offers Somerset schools the opportunity to learn from, and collaborate with, world-class performance companies from across the region, with the aim of inspiring students, raising aspirations and building creative confidence in teachers. The programme is designed to enrich classroom teaching and ensure all young people feel the arts are 'for them'.

As part of the programme, we: delivered a CPD day for drama teachers, with training and resources to support lesson plans; ran in-school workshops for students; and provided tickets to Blue Beard at Theatre Royal Bath as well as backstage tours, Q&As and the chance to observe technical and dress rehearsals.

Feedback has been hugely positive, including: 'Having the opportunity for our students to work with inspirational artists such as Tom and John from Wise Children is invaluable in professionalising our young people. Not only is it great to give them new experiences, but for them to collaborate and play with Wise Children helps skill them up for their GCSE as well as offer careers experience.' Dan Morgan – Head of Performing Arts at Stanchester Academy

'I didn't know what to expect but it was so much more than I could have expected! It felt personal, an actual real insight into the industry and age appropriate - sometimes these kind of experiences can be pitched a bit young - but this felt like 1 to 1s as equals.' – Young Q&A participant

Fundraising

We had an exceptionally successful year in terms of fundraising, largely due to increased opportunities afforded by the capital project at The Lucky Chance. The building also gave us the chance to invite existing and potential donors to see our work more frequently, improving our ability to cultivate and nurture support, and was the focus of our Big Give Appeal, through which we raised over £28,000 – our highest Appeal target to date.

We are grateful to have received grants from the Wolfson Foundation, the Garfield Weston Foundation, the John Ellerman Foundation, the Backstage Trust, the Noel Coward Foundation, the Garrick Trust and the Victoria Wood Foundation.

We undertook a review of our 'friends' scheme', the Wise Children Club, and were delighted with the results, with the number of memberships increasing by 25% (all at new membership prices) and revenue by 101%

As always, we are hugely grateful to the individuals who support our work with larger donations, many of whom have been giving annually since our launch. This year we were delighted to have retained the support of many of these loyal champions, as well as to have met several new donors. In particular we were overwhelmed to receive a significant legacy gift from a Club member in memory of her father, a life-long lover of the theatre.

Financial review

The company is reporting a surplus of £97,344 on a turnover of £2,036,959.

One key source of funding is Arts Council England: Wise Children is an Arts Council England National Portfolio Organisation for 2023-26, receiving annual funding of £483,000. In 2023/24, this represents 24% of total income, in comparison to last year's 17%.

Our other major source of income is productions, for which we receive a mix of co-production fees (contributions from partners towards the creation of a show), presentation fees (from theatres in respect of the weekly costs of presenting a show) and box office income (unsecured income directly related to ticket sales). With each production, we try to balance these income sources to ensure the production can be safely realised but that it

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also stands to benefit from box office success. In 2023/24, Production income accounted for 63% of annual income.

Other sources of income include grants from Trusts & Foundations, with applications focused on trusts which feel aligned with our values. In 2023/24 the company raised £177,749 which was an almost 200% increase in trusts and foundation fundraising, due to applications to larger funds to support our capital project. Gifts from individuals represent a small but growing part of the charity's income and include major gifts, a Christmas Appeal and our private giving scheme, the Wise Children Club. Fundraising accounts for 12.6% of total income; it was 4.2% in 22/23.

The Wise Children Training Programme brings in a small amount in participants' contributions, but due to its 'pay what you can' model is understood as a loss-making activity.

The Lucky Chance, our new building in Frome, opened to the public for the first time at Christmas 2023, and generated a small amount of income in ticket sales and ancillary bar surplus. This income stream has the potential to develop into a more significant contribution to the company's overall financial health, as we continue to increase capacity and generate additional income from hiring out the space and presenting more of our own work to local audiences.

During the year, Wise Children's Investment Committee researched and implemented a new strategy to offset some of the effects of high inflation by investing some of our reserves into two Investment accounts. The funds invested outperformed our expectations in the year to March 2024, and the investment committee will monitor their impact on a quarterly basis.

The current financial climate

The trustees have considered a range of issues currently facing the charity, including the ongoing impacts of Brexit and the UK's cost-of-living crisis.

The charity has significantly increased its level of activity in the past year, as well as taking on the management of a building. These factors add complexity to the financial picture, bringing both the possibility of increased and new revenue streams, and the greater stability of a permanent base, but also increased costs, an increased workload and the inevitable uncertainties of new ventures.

Risks include:

- The maintenance and running of The Lucky Chance proving significantly more expensive than anticipated;
- The existing staff structure and team struggling to effectively and happily deliver the increased workload;
- The theatres that commission and co-produce our work having dramatically reduced income and reserves, and being unable to collaborate with us to make new work, or only being able to support new work with much reduced budgets;
- Inflation and other major world events disrupting national and global infrastructure and logistics, causing prices for services to spiral and making our increasing focus on income from international touring precarious;
- The self employed artists, technicians and suppliers we rely on either leaving the industry or having their resources so decimated that they are no longer available to us, or only in reduced form;
- and increased demand for donations from individuals and Trusts and Foundations, combined with the cost-of-living crisis, making fundraising an increasingly unreliable source of income.

The charity is taking the following steps to mitigate these threats:

- Developing the 'slow touring' model, which we piloted to great success this year, and which sees us collaborating closely with a small number of venues. Together, the 'slow tour' group will co-produce work, sharing the financial risk;
- Building on the success of our first international tour to find new international presenters and audiences, and bringing in income from overseas;

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- And increasing our fundraiser's hours, and developing a network of fundraising freelancers, in order to increase our fundraising capacity.

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved due to the facts that as at 31st October 2024 the charity's cash position was over £450,000 and its principal funder, Arts Council England, has extended its funding to 31 March 2026.

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1 to the financial statements.

Reserves

At 31 March 2024, the company held £501,697 in general reserves, £826,771 in three designated funds and £60,159 in restricted funds.

General reserves

Touring theatre is still facing considerable challenges related to the pandemic and the cost of living crisis. With the charity committed to making and touring live theatre productions, the Trustees consider it prudent to maintain general reserves of £450,000.

Level of general reserves at March 2024: £501,697.

Operational fund

The trustees aim to maintain an unrestricted operational fund at a level of between three and six months of core expenditure, to a maximum figure of £160,000. This level will ensure there are sufficient funds available to cover core running and governance costs in the event of the company's dissolution.

Level of operational fund at March 2024: £160,000.

Development fund

The trustees are also building a development reserve with a target figure of £250,000 designed to allow the company to take risks with new work, including through touring.

Level of development fund at March 2024: £250,000.

The Lucky Chance

This designated fund represents the value of the expenditure to date on the purchase and renovation of The Lucky Chance in Frome and is intended to match the value of the fixed asset on the balance sheet.

Level of The Lucky Chance designated fund at March 2024: £416,771

Restricted

The restricted fund holds donations received in respect of further Capital works planned for 2024/2025 which were unspent at the year-end, as well as some funding for educational projects received in advance which will be spent during the financial year to 31 March 2025.

Level of restricted funds at March 2024: £60,159.

The trustees review the company's reserves policy in detail on a regular basis.

Plans for future periods

Plans for 2024/25 include the transfer of The Buddha of Suburbia to the Barbican, London, in October/November 2024; a revival of The Little Match Girl over Christmas at The Lucky Chance, along with a host of other activities for children and families; a tour to Australia and East Asia of our feted production of Wuthering Heights; and our second slow tour, an adaptation of Alfred Hitchcock's North by Northwest which will tour the UK in spring/summer 2025.

We'll also continue to run the Wise Children Training Programme, adding a strand of work in parts of the country with historically low levels of engagement with theatre, and plan to partner with Somerset Council for a second year of the Creative Learning & Education Schools Programme.

Wise Children Limited
Trustees' Report
For the year ended 31 March 2024

We are dreaming of a second phase of capital works at The Lucky Chance and aim to have plans (and planning permission) in place to begin fundraising for this in earnest in 2025.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 for that period. In preparing those 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2024 was 6.

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Approved by the Trustees on 2nd December 2024 and signed on their behalf by:

Name: Clare Reddington

Trustee 

Wise Children Limited
Independent Auditors' Report
For the year ended 31 March 2024

Opinion

We have audited the financial statements of Wise Children Limited (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, statement of cash flows and the 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2024 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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

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

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

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

Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

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.

Wise Children Limited
Independent Auditors' Report
For the year ended 31 March 2024

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included within the Trustees' Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are Required to Report by Exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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:

- Proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 charity or to cease operations, or have no realistic alternative but to do so.

Wise Children Limited
Independent Auditors' Report
For the year ended 31 March 2024

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.

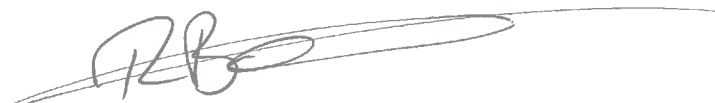
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting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

- The charitable company is required to comply with charity law and, based on our knowledge of their activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charitable company complied with their legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charitable company susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://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 trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Billingham (Senior Statutory Auditor)
For and on behalf of Knox Cropper LLP (Statutory Auditor)
65 Leadenhall Street
London
EC3A 2AD

Date: 19th December 2024

Wise Children Limited
Statement of Financial Activities
(Including the Income and Expenditure Account)
For the year ended 31 March 2024

	Note	Unrestricted Funds	Restricted Funds	Total Funds Year Ended 2024	Total Funds Year Ended 2023
INCOME AND EXPENDITURE		£	£	£	£
Income from:					
Grants and Donations	2	566,310	172,749	739,059	601,340
Charitable Activities	3	1,291,213	-	1,291,213	2,222,550
Investments		6,687	-	6,687	2,944
Total Income		<u>1,864,210</u>	<u>172,749</u>	<u>2,036,959</u>	<u>2,826,834</u>
Expenditure upon:					
Raising Funds	4	45,713	-	45,713	19,615
Charitable Activities					
Productions		1,693,065	26,000	1,719,065	2,533,655
Wise Children Training Programme		69,990	29,249	99,239	42,886
The Lucky Chance		66,130	21,626	87,756	17,174
Total Expenditure	4	<u>1,874,898</u>	<u>76,875</u>	<u>1,951,773</u>	<u>2,613,330</u>
Gain/(loss) on revaluation of investments		12,158	-	12,158	-
Net Income/(Expenditure)		<u>1,470</u>	<u>95,874</u>	<u>97,344</u>	<u>213,504</u>
Transfers between funds	14	94,817	(94,817)	-	-
Net Movement in funds for the year		<u>96,287</u>	<u>1,057</u>	<u>97,344</u>	<u>213,504</u>
Net funds at 1 April 2023		<u>1,232,181</u>	<u>59,102</u>	<u>1,291,283</u>	<u>1,077,779</u>
Net funds at 31 March 2024		<u>1,328,468</u>	<u>60,159</u>	<u>1,388,627</u>	<u>1,291,283</u>

The notes on pages 15 to 26 form part of these financial statements.

All activities derived from continuing operations in each of the above two financial periods.

All recognised gains or losses are included in the above Statement of Financial Activities.

Wise Children Limited
Balance Sheet
For the year ended 31 March 2024

	Notes	2024 £	2023 £
Fixed Assets			
Tangible Assets	9	418,883	334,241
Investments	10	132,158	-
		<u>551,041</u>	<u>334,241</u>
Current Assets			
Stock	11	995	-
Debtors	12	811,645	446,769
Cash at bank and in hand		319,455	660,020
		<u>1,132,095</u>	<u>1,106,789</u>
Creditors: Amounts falling due within one year	13	(294,509)	(149,747)
		<u>837,586</u>	<u>957,042</u>
Net Current Assets		<u>837,586</u>	<u>957,042</u>
Total Assets Less Liabilities		<u>1,388,627</u>	<u>1,291,283</u>
Funds			
Restricted	14	60,159	59,102
Unrestricted			
Designated funds	14	826,771	740,460
General funds	14	501,697	491,721
		<u>1,388,627</u>	<u>1,291,283</u>

The notes on pages 15 to 26 form part of these financial statements.

The financial statements were approved by the Board and authorised for issue on 2nd December 2024 and signed on its behalf by:

Name: Clare Reddington

Trustee *Clare Reddington*

Company Registration Number: 10547581

Registered Charity Number: 1178358

Wise Children Limited
Cash Flow Statement
For the year ended 31 March 2024

	Notes	Year Ended 31 March 2024 £	Year Ended 31 March 2023 £
Net cash (used in)/provided by operating activities	16	(131,920)	24,428
Net cash (used in)/provided by investing activities	17	<u>(208,645)</u>	<u>(329,903)</u>
Net change in cash and cash equivalents in the period		<u>(340,565)</u>	<u>(305,475)</u>
Reconciliation of net cash flow to movement in net cash			
Movement in net cash in the period		(340,565)	(305,475)
Net cash and cash equivalents brought forward		<u>660,020</u>	<u>965,495</u>
Net cash and cash equivalents carried forward		<u>319,455</u>	<u>660,020</u>

The charity has not provided an analysis of changes in net debt as it does not have any long-term financing arrangements.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

1 Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention (with the exception of investments measured at fair value) and in accordance with the accounting policies set out in the notes to the financial statements. The financial statements comply with the charity's governing document, the Charities Act 2011, the accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102 second edition – effective from January 2019).

The Charity is a Public Benefit Entity as defined by FRS102. The financial statements are prepared in Sterling, which is the functional currency of the Charity.

Going Concern

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

Income

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

Income received in advance of provision of theatrical productions or training events is deferred until criteria for income recognition are met.

Income from investments and interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Wherever possible costs are directly attributed to these headings. Costs common to more than one area are apportioned on the basis of staff time.

Governance costs are those incurred in the governance of the charity and are primarily associated with the constitutional and statutory requirements. These are included within the support costs of the charity.

Irrecoverable VAT is charged as a cost against the activity for which expenditure was incurred.

Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund, and the basis of transfers to or from them, are set out in Note 14.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

Tangible Fixed Assets

Items with a value greater than £500 are capitalised. Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

The depreciation rates in use are as follows:

Renovation Works	2% per annum on cost, straight line
Computer Equipment	33.3% per annum on cost, straight line

The Trustees review the tangible fixed assets annually for any evidence of impairment, where there is objective evidence of impairment the entity recognises the loss in the SOFA immediately.

Investments

Investments are initially measured at their cost and subsequently measured at their fair value at each reporting date. Fair value is based on the quoted price for listed investments at the balance sheet date. Changes in fair value and gains and losses arising on the disposal of Investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on investments' and are allocated to the appropriate fund holding or disposing of the relevant investment.

Debtors and Creditors

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

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.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and Cash Equivalents

Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less.

Financial Instruments

The charity only has basic financial instruments as defined under Section 11 of FRS 102. Basic financial instruments are recognised initially at transaction value and subsequently at settlement value.

Pensions

The Charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation and theatre tax relief.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

Theatre Tax Relief

The Charity has estimated the credit receivable under Theatre Tax Relief based on its eligible production expenditure incurred during the period. The amount is included within income from charitable activities and accrued income at the year end. As this amount is subject to review and approval by HMRC, actual results may differ.

2 INCOME FROM GRANTS AND DONATIONS

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Individual Donations	53,310	25,000	78,310	27,288
Grants Receivable for Core Activities				
Arts Council England	483,000	-	483,000	483,740
Backstage Trust	-	20,000	20,000	10,000
Cockayne	-	25,000	25,000	-
Garrick Charitable Trust	-	2,500	2,500	-
The John Ellerman Foundation	30,000	-	30,000	-
Noel Coward Foundation	-	4,000	4,000	-
Victoria Wood Foundation	-	2,749	2,749	-
Garfield Weston Foundation	-	20,000	20,000	-
The Broughton Family Charitable Trust	-	-	-	20,000
Wolfson Foundation	-	73,500	73,500	-
Foyle Foundation	-	-	-	39,000
Other small or anonymous donations	-	-	-	21,312
Total Income from Grants and Donations	<u>566,310</u>	<u>172,749</u>	<u>739,059</u>	<u>601,340</u>
Income from Grants and Donations 2023	<u>492,593</u>	<u>108,747</u>	<u>601,340</u>	

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income from Production Contracts	815,787	-	815,787	1,674,305
Box Office and Royalties	49,417	-	49,417	132,822
Theatre Tax Relief	369,996	-	369,996	201,578
Other Charitable Activities	56,013	-	56,013	213,845
	<u>1,291,213</u>	<u>-</u>	<u>1,291,213</u>	<u>2,222,550</u>
Income from Charitable Activities 2023	<u>2,222,550</u>	<u>-</u>	<u>2,222,550</u>	

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

4 RESOURCES EXPENDED ON:

	Staff Costs	Other Direct Costs	Support Costs (Note 5)	Total 2024
	£	£	£	£
Raising Funds				
Cost of Generating Funds	20,622	1,870	23,221	45,713
	<u>20,622</u>	<u>1,870</u>	<u>23,221</u>	<u>45,713</u>
Charitable Activities				
Productions	443,619	889,970	385,476	1,719,065
Wise Children Training Programme	23,064	62,242	13,933	99,239
The Lucky Chance	23,152	22,806	41,798	87,756
	<u>489,835</u>	<u>975,018</u>	<u>441,207</u>	<u>1,906,060</u>
Total Expenditure	<u>510,457</u>	<u>976,888</u>	<u>464,428</u>	<u>1,951,773</u>

Comparative Resources Expended

	Staff Costs	Other Direct Costs	Support Costs (Note 5)	Total 2023
	£	£	£	£
Raising Funds				
Cost of Generating Funds	8,329	5,875	5,411	19,615
	<u>8,329</u>	<u>5,875</u>	<u>5,411</u>	<u>19,615</u>
Charitable Activities				
Productions	763,159	1,288,424	482,072	2,533,655
Wise Children Training Programme	12,845	26,252	3,789	42,886
The Lucky Chance	-	3,673	13,501	17,174
	<u>776,004</u>	<u>1,318,349</u>	<u>499,362</u>	<u>2,593,715</u>
Total Expenditure 2023	<u>784,333</u>	<u>1,324,224</u>	<u>504,773</u>	<u>2,613,330</u>

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

5 SUPPORT COSTS

	Raising Funds	Productions	Wise Children Training Programme	The Lucky Chance	Total 2024
	£	£	£	£	£
Staff Costs	17,674	293,396	10,605	31,814	353,489
Other Staff Costs	693	11,503	416	1,247	13,859
Rent and Office Costs	1,709	28,364	1,025	3,076	34,174
IT Costs	495	8,212	297	890	9,894
Advertising & Marketing	351	5,819	210	631	7,011
Legal & Professional Fees	544	9,024	326	979	10,873
Audit & Accountancy	641	10,650	385	1,155	12,831
Depreciation	534	8,873	321	962	10,690
Governance	49	819	30	89	987
Other Costs	531	8,816	318	955	10,620
	<u>23,221</u>	<u>385,476</u>	<u>13,933</u>	<u>41,798</u>	<u>464,428</u>

Comparative Support Costs

	Raising Funds	Productions	Wise Children Training Programme	The Lucky Chance	Total 2023
	£	£	£	£	£
Staff Costs	3,530	314,493	2,472	8,808	329,303
Other Staff Costs	198	17,613	138	493	18,442
Rent and Office Costs	609	54,307	428	1,522	56,866
IT Costs	90	8,045	63	225	8,423
Advertising & Marketing	382	34,008	267	952	35,609
Legal & Professional Fees	184	16,424	129	460	17,197
Audit & Accountancy	86	7,645	60	214	8,005
Governance	3	257	2	7	269
Other Costs	329	29,280	230	820	30,659
	<u>5,411</u>	<u>482,072</u>	<u>3,789</u>	<u>13,501</u>	<u>504,773</u>

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

6 NET MOVEMENT IN FUNDS

This is stated after charging:

	2024	2023
	£	£
Depreciation of fixed assets	10,690	1,828
Trustees' remuneration	-	-
Trustees' reimbursed expenses	958	269
Auditors' remuneration		
Statutory audit	6,600	6,000
Other services	350	350
	<u>350</u>	<u>350</u>

7 STAFF COSTS AND NUMBERS

Staff costs were as follows:

	2024	2023
	£	£
Salaries and Wages	359,356	421,555
Social Security Costs	36,936	41,021
Pension Costs	9,828	10,618
Freelance Production Staff	457,826	640,442
	<u>863,945</u>	<u>1,113,636</u>

Two employees received remuneration in excess of £60,000 in the year (2023: 1) as follows:

	2024	2023
£60,001 - £70,000	1	-
£80,001 - £90,000	1	1
	<u>2</u>	<u>1</u>

The key management personnel of the charitable company comprise the Artistic Director, the Executive Director and the Creative Director. The total employee benefits of the key management personnel were £210,376 (2023: £189,074, Artistic Director, Executive Producer and Technical Director: roles have since been renamed).

	2024	2023
Average staff during the year	<u>11.6</u>	<u>12.0</u>

8 TAXATION

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

9 TANGIBLE FIXED ASSETS

	Freehold Property	Computer Equipment	Total
	£	£	£
Cost			
At 31 March 2023	330,460	6,534	336,994
Additions	94,817	515	95,332
At 31 March 2024	<u>425,277</u>	<u>7,049</u>	<u>432,326</u>
Depreciation			
At 31 March 2023	-	2,753	2,753
Charge for the year	8,506	2,184	10,690
At 31 March 2024	<u>8,506</u>	<u>4,937</u>	<u>13,443</u>
Net Book Value			
At 31 March 2024	<u>416,771</u>	<u>2,112</u>	<u>418,883</u>
At 31 March 2023	<u>330,460</u>	<u>3,781</u>	<u>334,241</u>

10 FIXED ASSET INVESTMENTS

	2024	2023
	£	£
Market value brought forward	-	-
Additions	120,000	-
Disposals	-	-
Unrealised gain/(loss) on investment	12,158	-
	<u>132,158</u>	<u>-</u>
Historical Cost	<u>120,000</u>	<u>-</u>

11 STOCK

	2024	2023
	£	£
Stock	995	-
	<u>995</u>	<u>-</u>

Stock is made up of bar inventory for resale.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

12 DEBTORS	2024	2023
	£	£
Trade debtors	391,548	222,580
Provision for doubtful debts	<u>(37,828)</u>	<u>(37,828)</u>
	353,720	184,752
Prepayments and Accrued Income	455,818	209,584
Other Debtors	2,107	4,290
VAT	-	48,143
	<u>811,645</u>	<u>446,769</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	67,184	60,891
Accruals	86,073	43,269
Social security and other taxes	25,360	11,426
Other Creditors	739	14,161
VAT	40,320	-
Deferred Income	74,833	20,000
	<u>294,509</u>	<u>149,747</u>

	2024	2023
	£	£
<u>Deferred income</u>		
Balance at 1 April 2023	20,000	-
Amount released in year	(20,000)	-
Amount deferred in the year	74,833	20,000
Balance at 31 March 2024	<u>74,833</u>	<u>20,000</u>

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

14 STATEMENT OF FUNDS

	Balance at 2023	Income	Expenditure	Transfers & Investment Gain/Loss	Balance at 2024
RESTRICTED FUNDS					
Wise Children Training Programme	-	33,249	(29,249)	-	4,000
The Mahabharata	-	1,000	(1,000)	-	-
Blue Beard Adaptation	-	25,000	(25,000)	-	-
The Lucky Chance Capital Works	59,102	113,500	(21,626)	(94,817)	56,159
TOTAL RESTRICTED FUNDS	59,102	172,749	(76,875)	(94,817)	60,159
UNRESTRICTED FUNDS					
<i>GENERAL FUNDS</i>	491,721	1,864,210	(1,874,898)	20,664	501,697
<i>DESIGNATED FUNDS</i>					
Operational Fund	160,000	-	-	-	160,000
Development Fund	250,000	-	-	-	250,000
The Lucky Chance	330,460	-	-	86,311	416,771
<i>TOTAL DESIGNATED FUNDS</i>	740,460	-	-	86,311	826,771
TOTAL UNRESTRICTED FUNDS	1,232,181	1,864,210	(1,874,898)	106,975	1,328,468
TOTAL FUNDS	1,291,283	2,036,959	(1,951,773)	12,158	1,388,627

Purposes of restricted funds

Wise Children Training Programme	To support activity in Wise Children's Professional Development Programme (previously named the School for Wise Children)
The Mahabharata	To support the London presentation of Why Not Theatre's production The Mahabharata at The Barbican in Autumn 2023.
Blue Beard Adaption	To support the creation of a new adaptation of Blue Beard to tour, specifically to support the production in its London venue in Spring 2024.
The Lucky Chance Capital Works	To hold funds raised to complete the renovation of the old Portway Methodist Church in Frome, to become Wise Children's home venue and rehearsal space.

Purposes of designated funds

Operational Fund	To maintain a fund of between 3- and 6-months core expenditure, to ensure sufficient funds are available to cover core running and governance costs in the event of the company's dissolution
Development Fund	To allow the company to take risks with new work and touring, the company intends to build this reserve to £250,000
The Lucky Chance	This designated fund represents the value of the expenditure to date on the purchase and renovation of The Lucky Chance in Frome and will be released against unrestricted funds as the property is depreciated.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

STATEMENT OF FUNDS COMPARATIVE

	Balance at 2022	Income	Expenditure	Transfers & Investment Gain/Loss	Balance at 2023
RESTRICTED FUNDS					
School for Wise Children	-	14,960	(14,960)	-	-
Production Activities	38,768	-	(38,768)	-	-
Wuthering Heights New York Production Activities	-	29,000	(29,000)	-	-
Community Screenings	-	3,900	(3,900)	-	-
Blue Beard Adaptation	-	1,000	(1,000)	-	-
Office Equipment Additions	-	785	-	(785)	-
The Lucky Chance Capital Works	-	59,102	-	-	59,102
TOTAL RESTRICTED FUNDS	38,768	108,747	(87,628)	(785)	59,102
UNRESTRICTED FUNDS					
<i>GENERAL FUNDS</i>	654,011	2,718,087	(2,525,702)	(354,675)	491,721
<i>DESIGNATED FUNDS</i>					
Operational Fund	160,000	-	-	-	160,000
Development Fund	225,000	-	-	25,000	250,000
The Lucky Chance	-	-	-	330,460	330,460
	385,000	-	-	355,460	740,460
TOTAL UNRESTRICTED FUNDS	1,039,011	2,718,087	(2,525,702)	785	1,232,181
TOTAL FUNDS	1,077,779	2,826,834	(2,613,330)	-	1,291,283

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2024 £
Non-Current Assets	134,270	416,771	-	551,041
Current Assets	661,936	410,000	60,159	1,132,095
Creditors: Due Within One Year	(294,509)	-	-	(294,509)
	501,697	826,771	60,159	1,388,627

ANALYSIS OF NET ASSETS BETWEEN FUNDS COMPARATIVE

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2023 £
Non-Current Assets	3,781	330,460	-	334,241
Current Assets	637,687	410,000	59,102	1,106,789
Creditors: Due Within One Year	(149,747)	-	-	(149,747)
	491,721	740,460	59,102	1,291,283

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

16 RECONCILIATION OF NET INCOME FROM OPERATING ACTIVITIES TO NET CASHFLOWS

	2024	2023
	£	£
Net Income for the reporting period	97,344	213,504
Investment income	(6,687)	(2,944)
Depreciation	10,690	1,828
Losses/(Gain) on investments	(12,158)	-
Decrease/(Increase) in stock	(995)	-
Decrease/(Increase) in debtors	(364,876)	(165,301)
(Decrease)/Increase in creditors and provisions	<u>144,762</u>	<u>(22,659)</u>
Net cash (used by)/provided from operating activities	<u>(131,920)</u>	<u>24,428</u>

17 Cash Flows from Investing Activities

	2024	2023
	£	£
Interest Received	6,687	2,944
Purchase of Fixed Asset Investment	(120,000)	-
Purchase of Tangible Asset	<u>(95,332)</u>	<u>(332,847)</u>
Net cash (used by)/provided from operating activities	<u>(208,645)</u>	<u>(329,903)</u>

18 Related Parties

During the year, there were no related party transactions (2023: paid a trustee for consultancy work totalling £2,200). In the prior year, income of £1,287 was received from the Harvard Club of the UK, where Yuko Thomas, trustee, is a director. There were no amounts received in 2024.

Wise Children Limited
Notes to the Financial Statements
For the year ended 31 March 2024

19 Comparative Fund and SOFA Balances

	Note	Unrestricted Funds	Restricted Funds	Total Funds Year Ended 2023
		£	£	£
INCOME AND EXPENDITURE				
Income from:				
Grants and Donations		492,593	108,747	601,340
Charitable Activities		2,222,550	-	2,222,550
Investments		2,944	-	2,944
Total Income		<u>2,718,087</u>	<u>108,747</u>	<u>2,826,834</u>
Expenditure upon:				
<i>Raising Funds</i>		19,615	-	19,615
<i>Charitable Activities</i>				
Productions		2,460,987	72,668	2,533,655
Wise Children Training Programme		27,926	14,960	42,886
The Lucky Chance		17,174	-	17,174
Total Expenditure		<u>2,525,702</u>	<u>87,628</u>	<u>2,613,330</u>
Gain/(loss) on revaluation of investments		-	-	-
Net Income/(Expenditure)		192,385	21,119	213,504
Transfers between funds		785	(785)	-
Net Movement in funds for the year		<u>193,170</u>	<u>20,334</u>	<u>213,504</u>
Net funds at 1 April 2023		<u>1,039,011</u>	<u>38,768</u>	<u>1,077,779</u>
Net funds at 31 March 2024		<u>1,232,181</u>	<u>59,102</u>	<u>1,291,283</u>

WISE CHILDREN LIMITED

England & Wales - Charity number 1178358

Accounts

Company no. 10547581
Charity no. 1178358

Wise Children Limited
Report and Audited Financial Statements
31 March 2023

Wise Children Limited

Reference and administrative details

For the year ended 31 March 2023

Company number	10547581
Charity number	1178358
Registered office and operational address	Spike Island 133 Cumberland Road Bristol BS1 6UX
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Matthew Armstrong Judith Dimant Allegra Galvin Anthony Gayle Pravanya Pillay Clare Reddington Nicholas Rogers Yuko Thomas Resigned on 25 April 2022 Chair
Artistic Director	Emma Rice
Executive Producer	Poppy Keeling
Technical Director	Simon Baker
Bankers	Natwest 40 Queens Road Bristol BS8 1BF
Statutory auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Wise Children Limited

Report of the trustees

For the year ended 31 March 2023

The trustees present their report along with the financial statements of the charity for the year ended 31 March 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with 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.

Structure, governance and management

Constitution

Wise Children is a private company limited by guarantee registered in England & Wales, company number 10547581 and its governing document is its Memorandum and Articles of Association.

The company is a registered charity, number 1178358.

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association, the trustees are appointed by the existing Board of Trustees. A member of the Board of Trustees must propose such a person for election. Notice shall be given to the Board of Trustees for the meeting at which it is intended to propose such persons for election, stating the object of the meeting, the name and address of the person to be proposed, and the name of the board member

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated into quarterly trustees' meetings.

The trustees throughout the year and at the financial year end, were:

- Matthew Armstrong
- Judith Dimant
- Allegra Galvin
- Tony Gayle
- Clare Reddington (Chair)
- Nicholas Rogers
- Yuko Thomas

Pravanya Pillay stood down from the Board of Trustees on 25 April 2022.

Secretary

Wise Children is not required to have a Company Secretary by its Memorandum and Articles of Association, however, on 4 August 2022 Poppy Keeling was appointed Company Secretary. This change was made in order to facilitate the opening of a new bank account.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2023

Leadership

Artistic Director Emma Rice, Executive Producer Poppy Keeling and Technical Director Simon Baker make up the company's Executive Team, managed by and reporting to the trustees. They are jointly responsible for day-to-day running and decision-making.

The trustees oversee Executive Team contracts and pay, which are set in line with industry standards and reviewed annually.

Objectives and activities

The charity's purposes are:

- to advance education in the arts for the public benefit, in particular, but not exclusively, by the provision of training for young people;
- and to promote the arts generally with particular reference to creating and touring theatrical works for the public benefit.

Wise Children is an international touring theatre company, based in the South West. Led by award-winning director Emma Rice, we make ground-breaking and accessible work with exceptional artists which we tour across the UK and the world. Alongside shows we run the School for Wise Children, a unique professional development programme training the next generation of diverse, independent theatre makers.

Wise Children launched in 2018, when we became an Arts Council England (ACE) National Portfolio Organisation (NPO). We have just been successful in our application to remain in the portfolio from 2023 to 2026. Since 2018 we have produced five critically acclaimed original productions which have been seen by 240,000 people in 20 cities worldwide. Our work has been commissioned by the BBC and Sky Arts, with our digital work reaching an estimated 286,000 people.

Our Artistic Director Emma Rice is amongst the UK's best known and loved theatre directors. Her celebrated 30-year career has included being Artistic Director of Cornish theatre company Kneehigh and of Shakespeare's Globe, London. In 2019, she received the UK Theatre Award for Contribution to British Theatre: *'Theatre maker Emma Rice was presented with this special award in recognition of the unique, innovative and socially relevant work that she has created and directed all over the country, and her significant influence on the contemporary theatre landscape.'* In 2022, she was named one of Sky Arts '50 most influential British artists of the last 50 years'.

The School also started in 2018 and we've run 57 practical courses with over 1,000 theatre makers, seven of whom now work with us regularly. We evaluate the School's impact through surveys and case studies: feedback from students is always hugely positive. *'Being able to work alongside and learn from Emma has been an invaluable experience and one that has equipped me with new tools, methods and techniques that I can take forward into future work. I felt challenged, pushed creatively, motivated & inspired on a daily basis!'* (Wuthering Heights Trainee Director)

In shaping our objectives and planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2023

Achievements and performance

The Lucky Chance

From the company's earliest days we have been on the hunt for a permanent home and, in the summer of 2022, we found the perfect place: an old church in the centre of Frome, Somerset. The Lucky Chance (TLC), as we've called our new building, will become our base, where we can experiment, rehearse, share new work, and run the School for Wise Children. TLC will be a thriving community hub, attracting the most exciting artists from the South West and beyond. Work created there will spill out into the town, inspiring residents to come in and take part.

We bought the building and its freehold in September 2022 and have begun slowly renovating it. It's an old Methodist Chapel, built in 1910, and although no major structural work is needed to achieve our plans, it had been very neglected. As well as generally restoring the building to good repair, we plan to make a number of changes to ensure it is safe for audiences of up to 120.

Live productions

Following successful runs in Bristol, York and at the National Theatre in 2021/22, *Wuthering Heights* toured the UK in spring 2022, visiting Truro, Nottingham, Salford, Brighton and Edinburgh. Planned stops in Norwich and Sunderland sadly had to be cancelled due to the ongoing impact of Covid-19.

The show received hugely positive responses from critics and audiences, with feedback including: *'Emma Rice's production of Wuthering Heights is so inventive, funny and inviting to both newcomers and lovers of Emily Brontë's bold and beautiful book, that I guarantee you, that like me you will become obsessed with it.'* (I Love Manchester); and *'What a mind blowing show #WutheringHeights is. Almost 3 hours of absolute pleasure. Deep, funny, heartbreaking, exhilarating. Thank you @brightonfest for bringing us such fabulous theatre this year.'* (Audience member, Twitter)

As *Wuthering Heights* features on school curricula we wanted to reach new, younger audiences, and created a marketing strategy focused on these groups. This proved successful: across the tour 11% of tickets were sold to people under 25, 6% higher than the national average. Alongside performances, we delivered a range of education activities, including post-show talks, bespoke workshops, placements and taster sessions engaging 700 people.

The UK tour ended in June, and in September we were back in the rehearsal room preparing to take the show to North America. Almost all the original cast returned, and in October we played to our first ever international audience when we opened at St Ann's Warehouse, New York.

We were over the moon to receive a raft of glowing reviews, including securing a coveted Critics Pick from the New York Times, which wrote: *'[This is] A feat of storytelling that wraps itself around the audience, pulling us into its silliness and sorrow... a show with a gloriously untamed spirit.'* The show was a hit with New York audiences too, with queues for returns across the final week and the box office target exceeded by 30%.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2023

The show moved on to Berkeley Repertory Theatre: *'If anyone can realise the novel's sprawling scope and emotional potency onstage, it's Rice... The British Director has an alchemist's touch for transforming material from one medium into something essentially, exuberantly theatrical'* (San Francisco Chronicle); Chicago Shakespeare Theatre: *'To watch an international artist of Rice's stature, and her ensemble-driven company, wrestle with a masterpiece as multifaceted and complicated as "Wuthering Heights" is a delight. A cheerfully anachronistic and self-aware exploration of the novel, replete with live music, composed by Ian Ross.'* (Chicago Tribune); and the McCarter Theatre in Princeton: *'a boldly reimagined and uncompromisingly dark stage adaptation of the classic.'* (New Jersey Arts).

Wuthering Heights was also booked to play a two week run at The Wallis in Los Angeles, but this was sadly cancelled due to severe storms across California which led to the theatre flooding.

Over the course of the six-month tour, a total of 41,900 people saw the show, and education events attracted over 2,000 students.

Digital work

In 2021, Sky Arts commissioned us to make a film of *Wuthering Heights*, which was released in October 2022. It is now available to watch on-demand in the UK through Sky Arts/Now TV. We have also secured further distribution for the film, making deals with Broadway HD (USA), Marquee TV (USA and Canada) and SVT (Sweden) all of which will broadcast the film over the next few years.

Research and development

Across the year we've spent time exploring potential future productions, including a work inspired by the folk tale *Blue Beard* and an adaptation of Hanif Kureishi's celebrated debut novel *The Buddha of Suburbia*. We workshoped both ideas with great success, and plan to produce both in 2024.

We also secured the rights to Shirley Jackson's gothic novella *We Have Always Lived in the Castle*, for development in 2023/24.

School for Wise Children

In 2022/23, 70 theatre makers studied at the School for Wise Children. Practical courses included:

- 'Pick and Mix', our first in-person performers' course since the pandemic, which brought together students from nine participating drama schools to spend a week with Emma, Head of Music Ian Ross, Associate Director Laura Keefe and performer/puppeteer John Leader. Following the course, one student wrote: *'The workshop was absolutely amazing. It really felt like we created magic during our time there. There were so many ideas flowing between all of us. What a playful world that was created. It was a workshop designed to push you, encourage you and to inspire you to just be you. It's unlike anything I've ever experienced before.'*
- The Summer Camp, a week-long open access performers' course. Over a hundred artists applied and twelve were selected to work with Emma, Ian, Laura and Movement Director Sam Archer for a week. One student told us: *'You created a space in which I felt safe to explore, create, make mistakes and learn. I had an immense amount of joy throughout the week. I've always been told I couldn't do it all and I had to choose between either being a musician, a musical theatre performer, an actor or a songwriter: this week made me feel like I could be everything that I am at once and use all of my tools to express myself.'*

Wise Children Limited

Report of the trustees

For the year ended 31 March 2023

- The Winter Workrooms, a series of online courses including: Emma and Laura's *Adapting and Directing for Emerging Directors*; Ian's *Musical Themes in Storytelling*; and our Producing team leading *The Nuts and Bolts of Touring Theatre*. Feedback was hugely positive, with one student writing: 'I felt that both Emma and Laura were really PERSONALLY invested in my projects. That investment made a huge difference on this course... Having the space and time to talk about my work and my life with two very experienced and sympathetic artists was invaluable.'

In addition to practical courses, the School for Wise Children runs a number of other initiatives:

Traineeships

In 2022/23 we employed three early career theatre makers as School for Wise Children Trainees: Stage Manager Meg le Marchant worked as part of the technical team delivering Summer Camp; Mary Johnson came back for a second stint as Trainee Composer on the re-rehearsal period for the US tour of *Wuthering Heights*; and Trainee Director Steph de Walley also joined *Wuthering Heights*. Our Traineeships are positions offered to promising students identified through other School activities, and, as well as their paid role, Trainees receive ongoing support and mentoring from the Wise Children team.

Company mentoring

Our Company Mentoring scheme sees the team support an emerging or mid-career theatre company over the course of the year, offering creative sessions as well as time focused on budgeting, fundraising, business planning and more. We received 106 applications for the scheme this year and eventually selected The PappyShow as our company to mentor through 2023. The PappyShow have been together for ten years, and are looking to consolidate the company and more clearly articulate its mission, vision and values as they move into their second decade.

The School for Wise Children Band

In early 2023, we started working on a new project, the School for Wise Children Band, designed to showcase the talents of some of the extraordinary musicians we've met over the last five years of running School courses. Across the spring, Ian, Laura and eight excited musicians developed a concept and began rehearsing, and will play their first gigs in summer 2023.

The After School Club

We have continued to build our alumni network, staying connected to more than 150 graduates of the School through regular newsletters and events.

Fundraising

We are delighted to have been successful in our application to Arts Council England's National Portfolio, securing a further three years of core funding at our current level.

We are also grateful to have received grants from the Garfield Weston Foundation, the Backstage Trust, the Broughton Family Charitable Trust, the Foyle Foundation, the John James Bristol Foundation and The Nisbet Trust.

Our Big Give Christmas Appeal in December went smoothly. Over the week we raised a total of £10,345 in online donations which allowed us to take advantage of a further £10,000 in matched funding and £1,346 in Gift Aid, bringing the total raised to £21,691. Of the top 22 givers to this year's appeal (£100 and above) 10 had never donated to us before, highlighting how useful the Appeal can be in terms of attracting new donors.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2023

Many of our existing individual givers continued to support the company, and we were also lucky enough to connect with some notable new donors, including one who supported our American tour with a generous gift.

Financial review

The company is reporting a surplus of £213,504 on a turnover of £2,826,834.

One key source of funding is Arts Council England: Wise Children is an Arts Council England National Portfolio Organisation for 2023-26, receiving annual funding of £483,000. In 2022/23, this represents 17% of total income down from last year's 24%.

Our other major source of income is productions, for which we receive a mix of co-production fees (contributions from partners towards the creation of a show), presentation fees (from theatres in respect of the weekly costs of presenting a show) and box office income (unsecured income directly related to ticket sales). With each production, we try to balance these income sources to ensure the production can be safely realised but that it also stands to benefit from box office success. In 2022/23, Production income accounted for 59% of annual income, which marks a welcome return to pre-pandemic levels.

Other sources of income include grants from trusts & foundations, with applications focused on trusts which feel aligned with the organisation's values. In 2022/23 the company raised £574,052. Gifts from individuals also represent a small but growing part of the company's income and include major gifts, a Christmas Appeal (£21,691 raised in 2022/23) and our private giving scheme, The Wise Children Club, which raised £2,497. Fundraising accounts for 20% of total income.

The School for Wise Children brings in a small amount in participants' contributions, but due to its 'pay what you can' model is understood as a loss-making activity.

The current financial climate

The trustees have considered a range of issues currently facing the charity, including the ongoing impacts of Covid-19 and Brexit, rising inflation and the UK's cost-of-living crisis. The purchase and management of a building adds complexity to the financial picture, bringing both the possibility of greater stability and new revenue streams, but also increased costs and the inevitable uncertainties of even a small capital project.

Risks include:

- The capital project exceeding projected budgets;
- The theatres that commission and co-produce our work having dramatically reduced income and reserves, and being unable to collaborate with us to make new work, or only being able to support new work with much reduced budgets;
- Inflation and other major world events disrupting national and global infrastructure and logistics, and causing prices for services to spiral;
- The self employed artists, technicians and suppliers we rely on either leaving the industry or having their resources so decimated that they are no longer available to us, or only in reduced form; and

Wise Children Limited

Report of the trustees

For the year ended 31 March 2023

- Increased demand for donations from individuals and trusts and foundations, combined with the cost-of-living crisis, means fundraising is already much harder.

The charity is taking the following steps to mitigate these threats:

- The capital project has been planned to take place over a number of phases, giving us time to pause, adapt and seek additional funding if needed. No income or activity targets have been set for 2023/24;
- Piloting a new 'slow touring' model, which has been planned for several years, and which will see us collaborating closely with a small number of venues over the next three years. Together, the 'slow tour' group will co-produce work, sharing the financial risk;
- Building on the success of our first international tour to find new international presenters and audiences, and bringing in income from overseas; and
- Increasing our fundraiser's hours, and developing a network of fundraising freelancers, in order to increase our fundraising capacity.

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved due to the facts that as at insert date the charity's cash position was over £660,020 and its principal funder, Arts Council England, has extended its funding to 31 March 2026.

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(b) to the financial statements.

Reserves

At 31 March 2023, the company held £491,721 in general reserves, £740,460 in three designated funds and £59,102 in restricted funds.

General reserves

Touring theatre is still facing considerable challenges related to the pandemic and the cost of living crisis. With the charity committed to making and touring live theatre productions, the Trustees consider it prudent to maintain general reserves of £300,000.

Level of general reserves at March 2023: £491,721.

Operational fund

The trustees aim to maintain an unrestricted operational fund at a level of between three and six months of core expenditure, to a maximum figure of £160,000. This level will ensure there are sufficient funds available to cover core running and governance costs in the event of the company's dissolution.

Level of operational fund at March 2023: £160,000.

Development fund

The trustees are also building a development reserve with a target figure of £250,000 designed to allow the company to take risks with new work, including through touring.

Level of development fund at March 2023: £250,000.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2023

The Lucky Chance

This designated fund represents the value of the expenditure to date on the purchase and renovation of The Lucky Chance in Frome and is intended to match the value of the fixed asset on the balance sheet.

Level of The Lucky Chance designated fund at March 2023: £330,460.

Restricted

The restricted fund holds donations received in respect of the redevelopment of The Lucky Chance, which were unspent at the year-end, which will be spent during the financial year to 31 March 2024. Level of restricted funds at March 2023: £59,102.

The trustees review the company's reserves policy in detail on a regular basis.

Plans for future periods

Plans for 2023/24 include the opening of The Lucky Chance to the public for the first time at Christmas 2023, with a run of family show *The Little Matchgirl and Other Happier Tales*. We'll also produce our new show *Blue Beard* in early 2024. Created with our slow tour partners *Blue Beard* will tour to Bath, Birmingham, Manchester, York, Edinburgh and London.

We'll continue to run The School for Wise Children, and are exploring the possibility of a partnership with Somerset Council which will see Wise Children practitioners working with schools across the county. In addition to this, we plan to partner with Digital Theatre + to create a series of resources to support students and teachers of devised theatre.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 charity and of the income and expenditure of the charity for that period. In preparing those 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2023

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 8.

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 9 October 2023 and signed on their behalf by



C Reddington - Chair



N Rogers - Trustee

Independent auditors' report

To the members of

Wise Children Limited

Opinion

We have audited the financial statements of Wise Children Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Independent auditors' report

To the members of

Wise Children Limited

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

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

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

Our 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

Wise Children Limited

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

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditors' report

To the members of

Wise Children Limited

Use of our report

This report is made solely to the charity'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 charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Godfrey

Date: 10 October 2023

**Alison Godfrey FCA
(Senior Statutory Auditor)**

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Wise Children Limited

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 March 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
Income from:					
Donations and legacies	3	108,747	492,593	601,340	851,668
Charitable activities	4	-	2,222,550	2,222,550	1,172,443
Investment		-	2,944	2,944	948
Total income		<u>108,747</u>	<u>2,718,087</u>	<u>2,826,834</u>	<u>2,025,059</u>
Expenditure on:					
Raising funds		-	5,875	5,875	1,765
Charitable activities		<u>87,628</u>	<u>2,519,827</u>	<u>2,607,455</u>	<u>1,580,158</u>
Total expenditure	6	<u>87,628</u>	<u>2,525,702</u>	<u>2,613,330</u>	<u>1,581,923</u>
Net income	7	21,119	192,385	213,504	443,136
Transfers between funds		<u>(785)</u>	<u>785</u>	<u>-</u>	<u>-</u>
Net movement in funds		20,334	193,170	213,504	443,136
Reconciliation of funds:					
Total funds brought forward		<u>38,768</u>	<u>1,039,011</u>	<u>1,077,779</u>	<u>634,643</u>
Total funds carried forward		<u><u>59,102</u></u>	<u><u>1,232,181</u></u>	<u><u>1,291,283</u></u>	<u><u>1,077,779</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 14 to the accounts.

Wise Children Limited

Balance sheet

As at 31 March 2023

	Note	£	2023 £	2022 £
Fixed assets				
Tangible assets	10		334,241	3,222
Current assets				
Debtors	11	446,769		281,468
Cash at bank and in hand		660,020		<u>965,495</u>
		1,106,789		1,246,963
Liabilities				
Creditors: amounts falling due within 1 year	12	(149,747)		<u>(172,406)</u>
Net current assets			957,042	<u>1,074,557</u>
Net assets	13		1,291,283	<u>1,077,779</u>
Funds	14			
Restricted funds			59,102	38,768
Unrestricted funds				
Designated funds			740,460	385,000
General funds			491,721	<u>654,011</u>
Total charity funds			1,291,283	<u>1,077,779</u>

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

Approved by the trustees on 9 October 2023 and signed on their behalf by



N Rogers - Trustee

Wise Children Limited**Statement of cash flows****For the year ended 31 March 2023**

	2023	2022
	Total	Total
	£	£
Cash used in operating activities:	213,504	443,136
Net movement in funds		
Adjustments for:		
Depreciation charges	1,828	925
Dividends, interest and rents from investments	(2,944)	(948)
Decrease / (increase) in debtors	(165,301)	(16,508)
Increase / (decrease) in creditors	(22,659)	42,268
Net cash provided by / (used in) operating activities	24,428	468,873
Cash flows from investing activities:		
Purchase of tangible fixed assets	(332,847)	(4,147)
Dividends, interest and rents from investments	2,944	948
Net cash provided by / (used in) investing activities	(329,903)	(3,199)
Increase / (decrease) in cash and cash equivalents in the year	(305,475)	465,674
Cash and cash equivalents at the beginning of the year	965,495	499,821
Cash and cash equivalents at the end of the year	660,020	965,495

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in 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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Wise Children 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 note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

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

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

Income received in advance of provision of theatrical productions or training events is deferred until criteria for income recognition are met.

d) Interest receivable

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.

e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies (continued)

f) Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to expenditure on charitable activities which is deemed to be reflective of the activities of the charity in this period.

h) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years
--------------------	---------

Items of equipment are capitalised where the purchase price exceeds £500.

i) Debtors

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

j) Cash at bank and in hand

Cash at bank and cash 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.

k) Creditors

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.

l) Financial instruments

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

m) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies (continued)

n) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note 1h above and theatre tax relief as described below.

Theatre Tax Relief

The charity has estimated the credit receivable under Theatre Tax Relief based on its eligible production expenditure incurred during the period. This amount is £201,578 and is included within income from charitable activities and accrued income at the year end. As this amount is subject to review and approval by HMRC, actual results may differ.

2. Prior period comparatives: statement of financial activities

	Restricted	Unrestricted	2022 Total
	£	£	£
Income from:			
Donations and legacies	179,905	671,763	851,668
Charitable activities	-	1,172,443	1,172,443
Investment	-	948	948
Total income	179,905	1,845,154	2,025,059
Expenditure on:			
Raising funds	-	1,765	1,765
Charitable activities	141,137	1,439,021	1,580,158
Total expenditure	141,137	1,440,786	1,581,923
Net income and net movement in funds	38,768	404,368	443,136

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2023

3. Income from grants and donations

	Restricted £	Unrestricted £	2023 Total £
Individual donations	22,602	4,686	27,288
Grants receivable for core activities:			
Arts Council England	-	483,740	483,740
Backstage Trust	10,000	-	10,000
The Broughton Family Charitable Trust	20,000	-	20,000
Foyle Foundation	39,000	-	39,000
Other smaller and anonymous donations	17,145	4,167	21,312
Total income from donations	<u>108,747</u>	<u>492,593</u>	<u>601,340</u>

Prior period comparative:

	Restricted £	Unrestricted £	2022 Total £
Individual donations	22,905	11,675	34,580
Grants receivable for core activities:			
Arts Council England	100,000	657,338	757,338
Bristol City Council	-	2,750	2,750
Foyle Foundation	20,000	-	20,000
Garfield Weston	25,000	-	25,000
Other smaller and anonymous donations	12,000	-	12,000
Total income from donations	<u>179,905</u>	<u>671,763</u>	<u>851,668</u>

4. Income from charitable activities

	2023 £	2022 £
Income from production contracts	1,674,305	978,815
Box office and royalties	132,822	37,973
Theatre tax relief	201,578	142,641
Other charitable activities	<u>213,845</u>	<u>13,014</u>
Total income from charitable activities	<u>2,222,550</u>	<u>1,172,443</u>

All income from charitable activities in the current and prior period was unrestricted.

5. Government grants

The charitable company receives government grants, defined as funding from Arts Council England, and the Department for International Trade to fund charitable activities. The total value of such grants in the period ending 31 March 2023 was £492,740 (2022: £760,088). There are no unfulfilled conditions or contingencies attaching to these grants.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2023

6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance £	2023 Total £
Staff costs (note 8)	-	750,400	363,236	1,113,636
Depreciation	-	-	1,828	1,828
Production costs	-	742,542	-	742,542
Rent and rates	-	-	45,820	45,820
Insurance	-	-	38,926	38,926
Travel and subsistence	-	512,442	15,908	528,350
Printing, postage and stationary	-	-	9,786	9,786
Advertising and marketing	-	-	35,610	35,610
Telecommunications	-	-	1,258	1,258
Computer expenses	-	-	8,424	8,424
Accountancy	-	-	8,005	8,005
Consultancy	-	-	200	200
Legal and professional	-	-	8,216	8,216
Bank charges	-	-	834	834
Provision for doubtful debts	-	-	37,828	37,828
Other charitable expenditure	-	2,048	23,875	25,923
Fundraising	5,875	-	-	5,875
Governance	-	-	269	269
Sub-total	5,875	2,007,432	600,023	2,613,330
Allocation of support and governance costs	-	600,023	(600,023)	-
Total expenditure	5,875	2,607,455	-	2,613,330

Total governance costs were £6,868 (2020: £6,081).

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2023

6. Total expenditure (prior period comparative)

	Raising funds £	Charitable activities £	Support and governance £	2022 Total £
Staff costs (note 8)	-	453,817	328,809	782,626
Depreciation	-	-	925	925
Production costs	-	522,757	-	522,757
Touring allowances	-	24,000	-	24,000
Rent and rates	-	-	15,801	15,801
Insurance	-	-	8,532	8,532
Travel and subsistence	-	139,578	6,928	146,506
Printing, postage and stationary	-	-	11,105	11,105
Advertising and marketing	-	-	19,063	19,063
Telecommunications	-	-	1,102	1,102
Computer expenses	-	-	4,958	4,958
Accountancy	-	-	7,100	7,100
Consultancy	-	-	291	291
Legal and professional	-	-	7,325	7,325
Bank charges	-	-	1,245	1,245
Other charitable expenditure	-	26,241	-	26,241
Fundraising	1,765	-	-	1,765
Governance	-	-	581	581
	<hr/>	<hr/>	<hr/>	<hr/>
Sub-total	1,765	1,166,393	413,765	1,581,923
Allocation of support and governance costs	-	413,765	(413,765)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	<u>1,765</u>	<u>1,580,158</u>	<u>-</u>	<u>1,581,923</u>

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2023

7. Net movement in funds

This is stated after charging:

	2023	2022
	£	£
Depreciation	1,828	925
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	269	581
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	6,600	5,500
▪ Other services	350	600
	<u> </u>	<u> </u>

There were no reimbursed expenses for trustees in the year (2022: £nil).

8. Staff costs and numbers

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	421,555	291,291
Social security costs	41,021	25,446
Pension costs	10,618	6,886
Freelance production staff	640,442	459,003
	<u>1,113,636</u>	<u>782,626</u>

One employee earned between £70,000 and £80,000 during the year. (2022: One employee earned between £70,000 and £80,000.)

The key management personnel of the charitable company comprise the Creative Director, the Executive Producer, and the Technical Director. The total employee benefits of the key management personnel were £189,074 (2022: £136,536, Creative Director and Executive Producer).

	2023	2022
	No.	No.
Organisation	9	8
Production	3	1
	<u> </u>	<u> </u>
Total average head count	<u>12</u>	<u>9</u>

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Wise Children Limited**Notes to the financial statements****For the year ended 31 March 2023****10. Tangible fixed assets**

	Freehold property £	Office equipment £	Total £
Cost			
At 1 April 2022	-	4,147	4,147
Additions in year	<u>330,460</u>	<u>2,387</u>	<u>332,847</u>
At 31 March 2023	<u>330,460</u>	<u>6,534</u>	<u>336,994</u>
Depreciation			
At 1 April 2022	-	925	925
Charge for the year	<u>-</u>	<u>1,828</u>	<u>1,828</u>
At 31 March 2023	<u>-</u>	<u>2,753</u>	<u>2,753</u>
Net book value			
At 31 March 2023	<u>330,460</u>	<u>3,781</u>	<u>334,241</u>
At 31 March 2022	<u>-</u>	<u>3,222</u>	<u>3,222</u>

No depreciation has been charged to the freehold property during the year, as the asset was not in use by the year end, since it was still under renovation.

11. Debtors

	2023 £	2022 £
Trade debtors	184,752	832
Prepayments and accrued income	209,584	273,881
Other debtors	4,290	6,755
VAT debtor	<u>48,143</u>	-
	<u>446,769</u>	<u>281,468</u>

12. Creditors : amounts due within 1 year

	2023 £	2022 £
Trade creditors	60,891	32,335
Accruals	43,269	38,814
Other taxation and social security	11,426	58,970
Other creditors	14,161	42,287
Deferred income	<u>20,000</u>	-
	<u>149,747</u>	<u>172,406</u>

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2023

13. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Fixed assets	-	330,460	3,781	334,241
Current assets	59,102	410,000	637,687	1,106,789
Current liabilities	-	-	(149,747)	(149,747)
Net assets at 31 March 2023	<u>59,102</u>	<u>740,460</u>	<u>491,721</u>	<u>1,291,283</u>
Prior period comparative				
	Restricted funds £	Designated funds £	General funds £	Total funds £
Fixed assets	-	-	3,222	3,222
Current assets	38,768	385,000	823,195	1,246,963
Current liabilities	-	-	(172,406)	(172,406)
Net assets at 31 March 2022	<u>38,768</u>	<u>385,000</u>	<u>654,011</u>	<u>1,077,779</u>

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2023

14. Movements in funds

	At 1 April 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2023 £
Restricted funds					
School for Wise Children	-	14,960	(14,960)	-	-
Production activities	38,768	-	(38,768)	-	-
Wuthering Heights New York production activities	-	29,000	(29,000)	-	-
Community Screenings	-	3,900	(3,900)	-	-
Blue Beard adaptation	-	1,000	(1,000)	-	-
Office equipment additions	-	785	-	(785)	-
The Lucky Chance capital works funding	-	59,102	-	-	59,102
Total restricted funds	38,768	108,747	(87,628)	(785)	59,102
Unrestricted funds					
<i>Designated funds:</i>					
Operational fund	160,000	-	-	-	160,000
Development fund	225,000	-	-	25,000	250,000
The Lucky Chance	-	-	-	330,460	330,460
<i>Total designated funds</i>	<i>385,000</i>	<i>-</i>	<i>-</i>	<i>355,460</i>	<i>740,460</i>
General funds	654,011	2,718,087	(2,525,702)	(354,675)	491,721
Total unrestricted funds	1,039,011	2,718,087	(2,525,702)	785	1,232,181
Total funds	1,077,779	2,826,834	(2,613,330)	-	1,291,283

Purposes of restricted funds

School for Wise Children	Donations restricted towards the School for Wise Children.
Production activities	To collect all donations restricted to specific productions.
Wuthering Heights New York production activities	Towards the cost of presenting Wuthering Heights in New York City.
Community Screenings	Towards the cost of screening films of past productions in a range of Bristol community settings.
Blue Beard adaptation	Towards the cost of adapting the folk tale Blue Beard, which will be our next touring show in 2024.
Office equipment additions	Towards the cost of new staff computers

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2023

14. Movements in funds (continued)

Purposes of restricted funds (continued)

The Lucky Chance capital works funding Towards sustainable power and heating systems at The Lucky Chance.

Purposes of designated funds

Operational fund To maintain a fund of between 3 and 6 months core expenditure, to ensure sufficient funds are available to cover core running and governance costs in the event of the company's dissolution.

Development fund To allow the company to take risks with new work and touring, the company intends to build this reserve to £250,000.

The Lucky Chance This designated fund represents the value of the expenditure to date on the purchase and renovation of The Lucky Chance in Frome and is intended to match the value of the fixed asset on the balance sheet.

Prior period comparative

	At 1 April 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Restricted funds					
School for Wise Children	-	10,500	(10,500)	-	-
Production activities	-	169,405	(130,637)	-	38,768
Total restricted funds	-	179,905	(141,137)	-	38,768
Unrestricted funds					
<i>Designated funds:</i>					
Operational fund	160,000	-	-	-	160,000
Development fund	200,000	-	-	25,000	225,000
<i>Total designated funds</i>	360,000	-	-	25,000	385,000
General funds	274,643	1,845,154	(1,440,786)	(25,000)	654,011
Total unrestricted funds	634,643	1,845,154	(1,440,786)	-	1,039,011
Total funds	634,643	2,025,059	(1,581,923)	-	1,077,779

15. Related party transactions

During the year, the charity paid Allegra Galvin, trustee, for some consultancy work totalling £2,200 (2022: £7,218). Additionally income of £1,287 (2022, £nil) was received from the Harvard Club of the UK, where Yuko Thomas, trustee, is a director. There were no amounts outstanding at year end for either of these transactions. In the prior year, the charity also paid Judith Dimant, trustee, for some consultancy work totalling £975.

WISE CHILDREN LIMITED

England & Wales - Charity number 1178358

Accounts

Company no. 10547581
Charity no. 1178358

Wise Children Limited
Report and Audited Financial Statements
31 March 2022

Wise Children Limited

Reference and administrative details

For the year ended 31 March 2022

Company number	10547581
Charity number	1178358
Registered office and operational address	Spike Island 133 Cumberland Road Bristol BS1 6UX
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Matthew Armstrong Judith Dimant Allegra Galvin Anthony Gayle Pravanya Pillay Clare Reddington Nicholas Rogers Yuko Thomas Resigned 25 April 2022
Artistic Director	Emma Rice
Executive Producer	Poppy Keeling
Technical Director	Simon Baker
Bankers	Natwest 40 Queens Road Bristol BS8 1BF
Statutory auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Wise Children Limited

Report of the trustees

For the year ended 31 March 2022

The trustees present their report along with the financial statements of the charity for the year ended 31 March 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with 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.

Structure, governance and management

Constitution

Wise Children is a private company limited by guarantee registered in England & Wales, company number 10547581 and its governing document is its Memorandum and Articles of Association.

The company is a registered charity, number 1178358.

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association, the trustees are appointed by the existing Board of Trustees. A member of the Board of Trustees must propose such a person for election. Notice shall be given to the Board of Trustees for the meeting at which it is intended to propose such persons for election, stating the object of the meeting, the name and address of the person to be proposed, and the name of the board member

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated into quarterly trustees' meetings.

Secretary

Poppy Keeling was appointed Company Secretary on 4 August 2022. Prior to this, the company had no Company Secretary and is not required to have one by its Memorandum and Articles of Association.

Leadership

Artistic Director Emma Rice, Executive Producer Poppy Keeling and Technical Director Simon Baker make up the company's Executive Team, managed by and reporting to the trustees. They are jointly responsible for day-to-day running and decision-making.

The trustees oversee Executive Team contracts and pay, which are set in line with industry standards and reviewed annually.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2022

Objectives and activities

The charity's purposes are:

- 1) to advance education in the arts for the public benefit, in particular, but not exclusively, by the provision of training for young people; and
- 2) to promote the arts generally with particular reference to creating and touring theatrical works for the public benefit.

"Theatre has to reinvent itself in order to survive. That's always been true, of course, but one of the great pioneers of theatrical reinvention over the last 20 years has been Emma Rice. From Kneehigh to the Globe to Wise Children, she has rewritten every rulebook she's found and won thousands of inspired theatre converts with every trail she has blazed."

Tom Morris, outgoing Artistic Director, Bristol Old Vic

Wise Children is a theatre company based in the South West, created and led by award-winning director Emma Rice. We make ground-breaking, accessible work with exceptional artists which tours the UK. Our aim is to reinvigorate the UK's regional touring theatre sector by making popular and innovative productions that speak to local communities and attract large and varied audiences. During the pandemic, we led the field in livestreaming, becoming the first UK company to broadcast a full staged production, without social distancing, from a UK theatre after lockdown. Alongside our shows, we run a unique professional development programme, The School for Wise Children, training a new and more diverse generation of theatre practitioners.

In shaping our objectives and planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Achievements and performance

Live productions

In the spring and summer of 2021, theatres began reopening after the lockdowns and closures of the previous year. The pandemic was by no means over, though, and the impact of Covid-19 continued to be felt, both in constant staff absences and in audiences proving hesitant to return to live events. There were also other, less tangible, results of the pandemic which affected theatre's ability to bounce back, such as a notable deterioration of people's mental and physical health. This felt particularly evident in the theatre, an industry which had been so vulnerable to the pandemic.

Despite these challenges, Wise Children did return to making live shows. In the summer, the Old Vic (London) invited us to re-open the venue with Bagdad Cafe, an adaptation of the 1987 film of the same name. Adapted and directed by Emma, with music by Ian Ross, design by Lez Brotherston with Vicki Mortimer, sound by Simon Baker and lighting by Malcolm Rippeth, it was a chance to reunite with our closest collaborators and create a piece of theatre celebrating community and togetherness. Critics and audiences were united in their praise for the show.

London's Old Vic blossoms back to life with a joyous, funny, touching drama from Emma Rice and her Wise Children company. This is a warm, exuberant ensemble piece full of heart and hope – an absolute tonic.'

The Financial Times

Wise Children Limited

Report of the trustees

For the year ended 31 March 2022

In September, we started work on our long planned and postponed production of *Wuthering Heights*. Co-produced with the National Theatre, Bristol Old Vic and York Theatre Royal, the show opened in Bristol in October to rapturous reviews.

Emma Rice has thrown away the rulebooks and harnessed the beating heart and slippery soul of Emily Bronte's unwieldy gothic monster, Wuthering Heights, in a wildly imaginative, exhilarating piece of theatre.'

Daily Mail

Digital output

Building on the successes of the previous year, we continued to film and broadcast our work. In August, *Bagdad Cafe* was streamed live from the Old Vic (London) as part of that theatre's prestigious In Camera series, and in November we broadcast *Wuthering Heights* from Bristol Old Vic. The resulting film of *Wuthering Heights* was bought by Sky Arts for TV broadcast in 2022/23.

We created a new podcast charting the development of *Wuthering Heights* from early workshops to premiere, and released a cast album featuring songs from the show.

We went digital with the *Wuthering Heights* programme, with an eye both to environmental sustainability and affordability. The programme was free to download for those who joined our mailing list, giving us a fantastic way to collect audience data.

Our digital team continued to create evocative, insightful promotional material for shows and other activity. As always, all our digital content is closed captioned and transcribed.

The School for Wise Children

We are committed to training innovative, independent theatre makers through our unique professional development programme, The School for Wise Children. The School is a pipeline for diverse talent, with all aspects geared towards attracting and supporting emerging artists from underrepresented backgrounds. The School's programme includes short workshops, longer courses and paid Traineeships, and in 2021/22, we moved to a Pay What You Can model across all activity.

Across 2021/22, 766 theatre makers studied with The School for Wise Children, and more than 1,000 others took part in wider enrichment activities. We trialled a new kind of workshop, a 'Technical Taster', designed to introduce people to life backstage. It was a great success and will become part of our wider package of workshops going forwards. We also forged a partnership with Bristol Old Vic Theatre School, running a week-long course for their third-year acting students.

Longer courses included: The Workrooms, a series of digital courses including *Adapting and Directing for Emerging Directors* with Emma Rice and Laura Keefe, *Composition and Performance* with Ian Ross and John Pfumojena, *Writing for Live Performance* with Joel Horwood and Yolanda Mercy and *Producing: An Imposter's Guide* with Poppy Keeling, Simon Baker, Reena Kalsi, Daniel Kok, Dina Mousawi & Ros Brooke-Taylor; a Technical Theatre course delivered in partnership with the National Theatre and led by the *Wuthering Heights* technical team on the set of the show; and the *Pick'n'Mix*, a residential course for performers and musicians led by Emma.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2022

Our Trainee programme gives talented young professionals the chance to take a paid role on a Wise Children project. Working alongside our world-class production team, Trainees join us as we create, rehearse and perform a new show for national touring, learning first-hand how a large-scale collaboratively devised piece is made. In 2021/22 we employed four Trainees and also created a short paid placement for an emerging Lighting Designer.

We launched The After School Club, a network offering ongoing support for School for Wise Children alumni. Members of the Club get access to bespoke events, surgeries with members of the WC team, discounted tickets to our shows, and monthly emails with news and opportunities. Events in 2021/22 included sessions on: the importance of practice, led by our Musical Director Ian; confidence and networking with Associate Director Laura Keefe; and applying to the Arts Council with Sophie Moysey, our ACE Relationship Manager.

Fundraising

The fundraising landscape still felt unstable after the shocks of the pandemic, with many Trusts & Foundations having paused grant-making, or diverting funds to Covid-related emergencies. In response to the situation, the Arts Council made changes to procedures, meaning we were able to access additional financial support from them.

This included successful applications to the 2022/23 National Portfolio Organisation Extension, the National Lottery Project Grants scheme (where we secured a grant towards the tour of Wuthering Heights) and the Culture Recovery Fund.

All our existing major givers renewed their support of the charity, with two key individuals committing to multi-year funding for The School for Wise Children.

The Wise Children Club brought in £3,134, a significant drop from last year where we raised £7,504. This reflects a general trend in individual giving in the sector.

We took part in the Big Give Christmas Appeal for the first time, and raised a total of £15,072 in seven days: £3,000 more than target. The Appeal's match funding gave us a compelling reason to ask people to give within a fixed time frame, and prompted one donor to give twice as much as originally pledged once we had used all our match funding. The campaign helped us identify a number of potential new supporters for the future.

We received five grants from Trusts and Foundations, a small increase on last year's results.

Wise Children is registered with the Fundraising Regulator, and we have never knowingly contravened the Regulator's guidelines or received a complaint for our fundraising activities. All activity is carried out by employees of the company and we never make unsolicited approaches to individuals. This ensures that vulnerable people and other members of the public are protected from fundraising approaches which represent an unreasonable intrusion on a person's privacy, are unreasonably persistent, or place undue pressure on a person to give.

Financial review

The company is reporting a surplus of £443,136 on a turnover of £2,025,059.

One key source of funding is Arts Council England: Wise Children is an Arts Council England National Portfolio Organisation for 2018-23, receiving annual funding of £483,000. In 2021/22, this represents 24% of total income, a return to pre-pandemic levels.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2022

Our other major source of income is Productions, for which we receive a mix of co-production fees (contributions from partners towards the creation of a show), presentation fees (from theatres in respect of the weekly costs of presenting a show) and box office income (unsecured income directly related to ticket sales). With each production, we try to balance these income sources to ensure the production can be safely realised but that it also stands to benefit from box office success. In 2021/22, Production income accounted for 50% of annual income. This is lower than in pre-pandemic years, largely because of additional Covid-related fundraising, which pushes the proportion of voluntary income higher than in previous years.

Other sources of income include grants from Trusts & Foundations, with applications focused on trusts which feel aligned with the organisation's values. In 2021/22 the company raised £57,000. Gifts from individuals also represent a small but important part of the company's income and include major gifts, a Christmas Appeal and our private giving scheme, The Wise Children Club.

We were also successful in two applications for emergency funding from the Arts Council, receiving a National Lottery Project Grant (prior to the pandemic, NPOs were not eligible for this strand of ACE funding) of £100,000 towards the tour of Wuthering Heights and £173,598 in Culture Recovery Funding, a portion of which was directed towards the creation of Bagdad Cafe.

The School for Wise Children brings in a small amount in participants' contributions, but due to its 'pay what you can' model is understood as a loss-making activity. In previous years a small amount of commercial trading, including programme and other merchandise sales, has also added to annual income. In 2021/22 this income line reached £10,500, which is a significant increase on previous years resulting from our having purchased film and broadcast equipment which we are now hiring out to others.

The current financial climate

The trustees have considered a range of issues currently facing the charity, including the ongoing impacts of Covid-19 and Brexit, rising inflation and the UK's cost-of-living crisis.

Although Wise Children's business model meant it was able to withstand the immediate impacts of the pandemic, the long-term effects, combined with more recent additional issues affecting the UK and international economies, are wide-ranging.

These include:

- The theatres that commission and co-produce our work having dramatically reduced income and reserves, and being unable to collaborate with us to make new work, or only being able to support new work with much reduced budgets.
- Inflation and other major world events disrupting national and global infrastructure and logistics, and causing prices for services to spiral.
- The self employed artists, technicians and suppliers we rely on either leaving the industry or having their resources so decimated that they are no longer available to us, or only in reduced form.
- Increased demand for donations from Individuals and Trusts and Foundations, combined with the cost-of-living crisis, means fundraising is already much harder: in 2020, the industry saw a 30% drop in donations to the arts and this barely improved over the course of 2021/22.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2022

The charity is taking the following steps to mitigate these threats:

- Drawing down reserves to invest in a base for the company, giving us the freedom to make work without needing to rely on overstretched theatres.
- We will also explore the commercial potential of our new home, bringing in new sources of income outside of the theatre industry.
- Making shows on a smaller scale for the next few years, while resources are strained.
- Prioritising relationships with existing donors, and reviewing our fundraising strategy.
- Ringfencing the 2021/22 year end surplus to support the tour of Wuthering Heights in an unstable climate.
- Creating an Investment Policy which will seek to invest a portion of reserves in a conservative manner, particularly designed to try to offset inflationary costs.

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved due to the facts that as at 31 March 2022 the charity's cash position was over £965,000 and its principal funder, Arts Council England, has extended its funding to March 31 2023.

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(b) to the financial statements.

Reserves

At 31 March 2022, the company held £654,011 in general reserves and £385,000 in two designated funds: £160,000 in an Operational Fund and £225,000 in a Development Fund.

The trustees aim to maintain an unrestricted Operational Fund at a level of between three and six months of core expenditure, to a maximum figure of £160,000. This level will ensure there are sufficient funds available to cover core running and governance costs in the event of the company's dissolution.

In addition, the trustees are building a Development Fund of £250,000, designed to allow the company to take risks with new work, including through touring. We made a transfer this year to the Development Fund from the general reserve of £25,000, bringing it to £225,000.

Touring theatre is still facing considerable challenges related to the pandemic and the cost of living crisis. With the charity committed to continuing to make and tour live work, the Trustees consider it prudent to maintain general reserves of £300,000.

This leaves a balance of general reserves at £354,011, which the charity has used to purchase and begin renovations on a building (the purchase was completed in August 2022).

The trustees review the company's reserves policy in detail on a regular basis.

Plans for future periods

Plans for 2022/23 include the UK tour of Wuthering Heights which continues on after its run at the National Theatre. The show is booked to play in Truro, Brighton, Norwich, Nottingham, Sunderland, Salford, Edinburgh and Inverness. After that, the show will embark on a five-month tour of America, with dates in New York, San Francisco, Los Angeles and Chicago. This will be Wise Children's first international tour, after a planned tour in spring/summer 2020 was cancelled due to the pandemic.

Across the year we'll also be developing new work, with several projects in the pipeline.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2022

As part of the School for Wise Children, we plan to consolidate work done in 2021/22, building on successes and refining the programme. We're also hoping to run a number of revenue generating courses in America, alongside the tour of *Wuthering Heights*.

And finally, 2022/23 looks set to be the year that we achieve our dream of finding a home for Wise Children, as we take over the old Portway Methodist Church in Frome. The Church, which we'll rename The Lucky Chance, will be our office, rehearsal and training space. We will also open it to the public, making it available to other artists and members of the community, as well as exploring its potential to offer a new income stream through commercial hires.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 charity and of the income and expenditure of the charity for that period. In preparing those 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was 8.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2022

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 28 September 2022 and signed on their behalf by



C Reddington - Chair



N Rogers - Trustee

Independent auditors' report

To the members of

Wise Children Limited

Opinion

We have audited the financial statements of Wise Children Limited (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 charity's affairs as at 31 March 2022 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Independent auditors' report

To the members of

Wise Children Limited

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

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

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

Our 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

Wise Children Limited

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

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditors' report

To the members of

Wise Children Limited

Use of our report

This report is made solely to the charity'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 charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Godfrey

Date: 3 October 2022

**Alison Godfrey FCA
(Senior Statutory Auditor)**

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Wise Children Limited**Statement of financial activities** *(incorporating an income and expenditure account)***For the year ended 31 March 2022**

	Note	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Income from:					
Donations and legacies	3	179,905	671,763	851,668	609,624
Charitable activities	4	-	1,172,443	1,172,443	344,172
Investment		-	948	948	-
Total income		<u>179,905</u>	<u>1,845,154</u>	<u>2,025,059</u>	<u>953,796</u>
Expenditure on:					
Raising funds		-	1,765	1,765	8,887
Charitable activities		<u>141,137</u>	<u>1,439,021</u>	<u>1,580,158</u>	<u>690,466</u>
Total expenditure	6	<u>141,137</u>	<u>1,440,786</u>	<u>1,581,923</u>	<u>699,353</u>
Net income and net movement in funds	7	38,768	404,368	443,136	254,443
Reconciliation of funds:					
Total funds brought forward		-	<u>634,643</u>	<u>634,643</u>	<u>380,200</u>
Total funds carried forward		<u>38,768</u>	<u>1,039,011</u>	<u>1,077,779</u>	<u>634,643</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 14 to the accounts.

Wise Children Limited

Balance sheet

As at 31 March 2022

	Note	£	2022 £	2021 £
Fixed assets				
Tangible assets	10		3,222	-
Current assets				
Debtors	11	281,468		264,960
Cash at bank and in hand		<u>965,495</u>		<u>499,821</u>
		1,246,963		764,781
Liabilities				
Creditors: amounts falling due within 1 year	12	<u>(172,406)</u>		<u>(130,138)</u>
Net current assets			<u>1,074,557</u>	<u>634,643</u>
Net assets	13		<u>1,077,779</u>	<u>634,643</u>
Funds	14			
Restricted funds			38,768	-
Unrestricted funds				
Designated funds			385,000	360,000
General funds			<u>654,011</u>	<u>274,643</u>
Total charity funds			<u>1,077,779</u>	<u>634,643</u>

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

Approved by the trustees on 28 September 2022 and signed on their behalf by



N Rogers - Trustee

Wise Children Limited

Statement of cash flows

For the year ended 31 March 2022

	2022	2021
	Total	Total
	£	£
Cash used in operating activities:	443,136	254,443
Net movement in funds		
Adjustments for:		
Depreciation charges	925	-
Dividends, interest and rents from investments	(948)	-
Decrease / (increase) in debtors	(16,508)	156,199
Increase / (decrease) in creditors	42,268	(78,751)
	<u>468,873</u>	<u>331,891</u>
Net cash provided by / (used in) operating activities		
Cash flows from investing activities:		
Purchase of tangible fixed assets	(4,147)	-
Dividends, interest and rents from investments	948	-
	<u>(3,199)</u>	<u>-</u>
Net cash provided by / (used in) investing activities		
Increase / (decrease) in cash and cash equivalents in the year	465,674	331,891
Cash and cash equivalents at the beginning of the year	<u>499,821</u>	<u>167,930</u>
Cash and cash equivalents at the end of the year	<u>965,495</u>	<u>499,821</u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in 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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Wise Children 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 note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

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

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

Income received in advance of provision of theatrical productions or training events is deferred until criteria for income recognition are met.

d) Interest receivable

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.

e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies (continued)

f) Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to expenditure on charitable activities which is deemed to be reflective of the activities of the charity in this period.

h) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years
--------------------	---------

Items of equipment are capitalised where the purchase price exceeds £500.

i) Debtors

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

j) Cash at bank and in hand

Cash at bank and cash 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.

k) Creditors

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.

l) Financial instruments

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

m) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies (continued)

n) Termination payments

Where an employee receives a termination payment, the cost is recognised at the date that the employee is notified.

o) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

p) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note 1h above and theatre tax relief as described below.

Theatre Tax Relief

The charity has estimated the credit receivable under Theatre Tax Relief based on its eligible production expenditure incurred during the period. This amount is £142,641 and is included within income from charitable activities and accrued income at the year end. As this amount is subject to review and approval by HMRC, actual results may differ.

2. Prior period comparatives: statement of financial activities

	Restricted	Unrestricted	2021
	£	£	Total
			£
Income from:			
Donations and legacies	20,500	589,124	609,624
Charitable activities	-	344,172	344,172
Total income	20,500	933,296	953,796
Expenditure on:			
Raising funds	-	8,887	8,887
Charitable activities	20,500	669,966	690,466
Total expenditure	20,500	678,853	699,353
Net income and net movement in funds	-	254,443	254,443

Wise Children Limited**Notes to the financial statements****For the year ended 31 March 2022****3. Income from grants and donations**

	Restricted £	Unrestricted £	2022 Total £
Individual donations	22,905	11,675	34,580
Grants receivable for core activities:			
Arts Council England	100,000	657,338	757,338
Bristol City Council	-	2,750	2,750
Foyle Foundation	20,000	-	20,000
Garfield Weston	25,000	-	25,000
Other smaller and anonymous donations	12,000	-	12,000
Total income from donations	179,905	671,763	851,668

Prior period comparative:

	Restricted £	Unrestricted £	2021 Total £
Individual donations	5,000	38,676	43,676
Grants receivable for core activities:			
Arts Council England	-	475,000	475,000
Coronavirus Job Retention Scheme	-	59,883	59,883
Bristol City Council	-	15,404	15,404
The Broughton Family Charitable Trust	10,000	-	10,000
Other smaller and anonymous donations	5,500	161	5,661
Total income from donations	20,500	589,124	609,624

4. Income from charitable activities

	2022 £	2021 £
Income from production contracts	978,815	8,553
Box office and royalties	37,973	278,680
Theatre tax relief	142,641	42,451
Other charitable activities	13,014	14,488
Total income from charitable activities	1,172,443	344,172

All income from charitable activities in the current and prior period was unrestricted.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2022

5. Government grants

The charitable company receives government grants, defined as funding from Arts Council England, Bristol City Council and the Coronavirus Job Retention Scheme to fund charitable activities. The total value of such grants in the period ending 31 March 2022 was £760,088 (2021: £544,883). There are no unfulfilled conditions or contingencies attaching to these grants.

6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Staff costs (note 8)	-	453,817	328,809	782,626
Depreciation	-	-	925	925
Production costs	-	522,757	-	522,757
Touring allowances	-	24,000	-	24,000
Rent and rates	-	-	15,801	15,801
Insurance	-	-	8,532	8,532
Travel and subsistence	-	139,578	6,928	146,506
Printing, postage and stationary	-	-	11,105	11,105
Advertising and marketing	-	-	19,063	19,063
Telecommunications	-	-	1,102	1,102
Computer expenses	-	-	4,958	4,958
Accountancy	-	-	7,100	7,100
Consultancy	-	-	291	291
Legal and professional	-	-	7,325	7,325
Bank charges	-	-	1,245	1,245
Other charitable expenditure	-	26,241	-	26,241
Fundraising	1,765	-	-	1,765
Governance	-	-	581	581
Sub-total	1,765	1,166,393	413,765	1,581,923
Allocation of support and governance costs	-	413,765	(413,765)	-
Total expenditure	1,765	1,580,158	-	1,581,923

Total governance costs were £6,081 (2020: £4,600).

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2022

6. Total expenditure (prior period comparative)

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Staff costs (note 8)	6,303	133,098	297,312	436,713
Production costs	-	187,901	-	187,901
Rent and rates	-	-	12,800	12,800
Insurance	-	-	7,537	7,537
Travel and subsistence	-	8,722	1,813	10,535
Printing, postage and stationary	-	-	9,520	9,520
Advertising and marketing	-	-	3,485	3,485
Telecommunications	-	-	808	808
Computer expenses	-	-	4,464	4,464
Accountancy	-	-	8,875	8,875
Consultancy	-	-	1,250	1,250
Legal and professional	1,500	-	3,400	4,900
Bank charges	-	-	1,675	1,675
Other charitable expenditure	-	7,806	-	7,806
Fundraising	1,084	-	-	1,084
Sub-total	8,887	337,527	352,939	699,353
Allocation of support and governance costs	-	352,939	(352,939)	-
Total expenditure	8,887	690,466	-	699,353

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2022

7. Net movement in funds

This is stated after charging:

	2022	2021
	£	£
Depreciation	925	-
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	581	Nil
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	5,500	4,600
▪ Other services	600	250
	<u>6,006</u>	<u>4,850</u>

Trustees' reimbursed expenses this year comprised travel expenses for one trustee (2021: nil).

8. Staff costs and numbers

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	291,291	279,325
Social security costs	25,446	23,934
Pension costs	6,886	6,616
Redundancy costs	-	1,076
Freelance production staff	459,003	125,762
	<u>782,626</u>	<u>436,713</u>

One employee earned between £70,000 and £80,000 during the year. (2020: One employee earned between £70,000 and £80,000.)

The key management personnel of the charitable company comprise the Creative Director and the Executive Producer. The total employee benefits of the key management personnel were £136,536 (2021: £136,946).

In the prior year, redundancy payments totalling £1,076 were made. There were no redundancy payments made during this year.

	2022	2021
	No.	No.
Organisation	8	7
Production	1	1
Total average head count	<u>9</u>	<u>8</u>

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2022

10. Tangible fixed assets

	Office equipment £	Total £
Cost		
At 1 April 2021	-	-
Additions in year	<u>4,147</u>	<u>4,147</u>
At 31 March 2022	<u>4,147</u>	<u>4,147</u>
Depreciation		
At 1 April 2021	-	-
Charge for the year	<u>925</u>	<u>925</u>
At 31 March 2022	<u>925</u>	<u>925</u>
Net book value At 31 March 2022	<u><u>3,222</u></u>	<u><u>3,222</u></u>
At 31 March 2021	<u><u>-</u></u>	<u><u>-</u></u>

11. Debtors

	2022 £	2021 £
Trade debtors	832	4,215
Prepayments and accrued income	273,881	239,257
Other debtors	<u>6,755</u>	<u>21,488</u>
	<u><u>281,468</u></u>	<u><u>264,960</u></u>

12. Creditors : amounts due within 1 year

	2022 £	2021 £
Trade creditors	32,335	25,506
Accruals	38,814	78,025
Other taxation and social security	58,970	6,399
Other creditors	<u>42,287</u>	<u>20,208</u>
	<u><u>172,406</u></u>	<u><u>130,138</u></u>

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2022

13. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Fixed assets	-	-	3,222	3,222
Current assets	38,768	385,000	823,195	1,246,963
Current liabilities	-	-	(172,406)	(172,406)
Net assets at 31 March 2022	<u>38,768</u>	<u>385,000</u>	<u>654,011</u>	<u>1,077,779</u>
Prior period comparative				
	Restricted funds £	Designated funds £	General funds £	Total funds £
Current assets	-	360,000	404,781	764,781
Current liabilities	-	-	(130,138)	(130,138)
Net assets at 31 March 2021	<u>-</u>	<u>360,000</u>	<u>274,643</u>	<u>634,643</u>

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Restricted funds					
School for Wise Children	-	10,500	(10,500)	-	-
Production activities	-	169,405	(130,637)	-	38,768
Total restricted funds	-	179,905	(141,137)	-	38,768
Unrestricted funds					
<i>Designated funds:</i>					
Operational fund	160,000	-	-	-	160,000
Development fund	200,000	-	-	25,000	225,000
<i>Total designated funds</i>	<u>360,000</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	385,000
General funds	<u>274,643</u>	<u>1,845,154</u>	<u>(1,440,786)</u>	<u>(25,000)</u>	654,011
Total unrestricted funds	<u>634,643</u>	<u>1,845,154</u>	<u>(1,440,786)</u>	<u>-</u>	1,039,011
Total funds	<u>634,643</u>	<u>2,025,059</u>	<u>(1,581,923)</u>	<u>-</u>	1,077,779

Purposes of restricted funds

School for Wise Children

Donations restricted towards the School for Wise Children.

Production activities

To collect all donations restricted to specific productions.

Purposes of designated funds

Operational fund

To maintain a fund of between 3 and 6 months core expenditure, to ensure sufficient funds are available to cover core running and governance costs in the event of the company's dissolution.

Development fund

To allow the company to take risks with new work and touring, the company intends to build this reserve to £250,000.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds (continued)

Prior period comparative

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
School for Wise Children	-	15,500	(15,500)	-	-
Production activities	-	5,000	(5,000)	-	-
Total restricted funds	-	20,500	(20,500)	-	-
Unrestricted funds					
<i>Designated funds:</i>					
Operational fund	160,000	-	-	-	160,000
Development fund	40,000	-	-	160,000	200,000
<i>Total designated funds</i>	<i>200,000</i>	<i>-</i>	<i>-</i>	<i>160,000</i>	<i>360,000</i>
General funds	180,200	933,296	(678,853)	(160,000)	274,643
Total unrestricted funds	380,200	933,296	(678,853)	-	634,643
Total funds	380,200	953,796	(699,353)	-	634,643

15. Related party transactions

During the year, the charity paid Allegra Galvin, trustee, for some consultancy work totalling £7,218 (2021: Nil). At year end, £3,600 was outstanding and included in creditors. The charity also paid Judith Dimant, trustee, for some consultancy work totalling £975. No amounts were outstanding at year end.

WISE CHILDREN LIMITED

England & Wales - Charity number 1178358

Accounts

Company no. 10547581
Charity no. 1178358

Wise Children Limited
Report and Audited Financial Statements
31 March 2021

Wise Children Limited

Reference and administrative details

For the year ended 31 March 2021

Company number	10547581
Charity number	1178358
Registered office and operational address	Spike Island 133 Cumberland Road Bristol BS1 6UX
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Matthew Armstrong Judith Dimant Allegra Galvin Anthony Gayle Pravanya Pillay Clare Reddington Nicholas Rogers Yuko Thomas Appointed 20 July 2020 Appointed 20 July 2020
Artistic Director	Emma Rice
Executive Producer	Poppy Keeling
Technical Director	Simon Baker
Bankers	Natwest 40 Queens Road Bristol BS8 1BF
Statutory auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Wise Children Limited

Report of the trustees

For the year ended 31 March 2021

The trustees present their report along 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.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with 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.

Structure, governance and management

Constitution

Wise Children is a private company limited by guarantee registered in England & Wales, company number 10547581 and its governing document is its Memorandum and Articles of Association.

The company is a registered charity, number 1178358.

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association, the trustees are appointed by the existing Board of Trustees. A member of the Board of Trustees must propose such a person for election. Notice shall be given to the Board of Trustees for the meeting at which it is intended to propose such persons for election, stating the object of the meeting, the name and address of the person to be proposed, and the name of the board member

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated into quarterly trustees' meetings.

Secretary

Wise Children has no Company Secretary and is not required to have one by its Memorandum and Articles of Association.

Leadership

Artistic Director Emma Rice, Executive Producer Poppy Keeling and Technical Director Simon Baker make up the company's Executive Team, managed by and reporting to the trustees. They are jointly responsible for day-to-day running and decision-making.

The trustees oversee Executive Team contracts and pay, which are set in line with industry standards and reviewed annually.

Objectives and activities

The charity's purposes are:

- 1) to advance education in the arts for the public benefit, in particular, but not exclusively, by the provision of training for young people;
- 2) and to promote the arts generally with particular reference to creating and touring theatrical works for the public benefit.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2021

'Wise Children is simply brilliant. The quality of Emma's work, her commitment to diversity and her advocacy for touring theatre makes her new company an invaluable asset to the UK's cultural scene.'

Tracy Brabin, Mayor of West Yorkshire, formerly Shadow Minister for Cultural Industries

Wise Children is a theatre company based in the South West, created and led by award-winning director Emma Rice. We make ground-breaking, accessible work with exceptional artists which tours the UK. Our aim is to reinvigorate the UK's regional touring theatre sector by making popular and innovative productions that speak to local communities and attract large and varied audiences. We run a unique professional development programme called The School for Wise Children, training a new generation of independent and diverse theatre-makers.

In shaping our objectives and planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Achievements and performance

Live productions

2020 was a devastating year for the theatre sector, and, like all our colleagues, Wise Children was forced to cancel all planned live productions.

In March, our planned American tour of *Romantics Anonymous* (which had played to sell-out audiences in Bristol in January 2020) was cancelled. This would have been the company's first international tour, and the cancellation was a huge blow not only financially, but also for our large freelance team, and for our organisational development.

In April, a revival of 2019's *Malory Towers*, helmed by commercial producer David Pugh and scheduled to tour the UK across spring/summer 2020, was also cancelled.

Later in the year, another production was postponed. Our new adaptation of *Wuthering Heights*, a co-production with the National Theatre, Bristol Old Vic and York Theatre Royal should have opened at the Lyttelton Theatre in September 2020, but was rescheduled for autumn 2021.

Digital transformation

March 2020 heralded a bleak chapter for Wise Children. We were faced with months of inaction and uncertainty, while our freelance colleagues struggled to survive. It didn't take us long to take matters into our own hands, finding new ways to connect with our audiences and provide employment for our wider team.

In April, we launched Wise Radio, an internet radio station which ran 24/7 across the summer months with music curated by our technical team. Wise Radio was also home to our new chat show, *Tea & Biscuits*, which saw Emma 'zooming' with members of the extended Wise Children family to share memories and music. Structured along the lines of *Desert Island Discs*, each episode digs deep into one of Emma's old productions, and - among other enthusiastic audience feedback - we heard from many teachers how useful these have been for their students. We've made 43 episodes of *Tea & Biscuits* so far, and, as well as being a great listen (32,000 have heard the series, with 75% listening all the way through), the shows gave us a way to keep our community alive. As one listener wrote: "*Tea & Biscuits* kept me sane during lockdown so thank you all for that!"

Wise Children Limited

Report of the trustees

For the year ended 31 March 2021

In June, we added Wise TV, a dedicated section of our website collating existing video content: behind-the-scenes films, interviews, trailers, and the BBC film of *Wise Children*. We began to experiment with live broadcasting, streaming live interviews with Emma from her home direct to audiences watching online. These experiments were so much fun, and so successful (feedback included: “Fascinating! And actually something you wouldn’t get in a normal post-show talk – maybe there are some good bits to this pandemic, after all!”) that we began to think about what else we might live stream.

It’s worth adding that accessibility has been integral to our digital output: every video is closed captioned, and every radio show transcribed.

Live broadcasting

In August, we decided to do something radical. Based on our experiments with Wise Radio and Wise TV, we began to explore whether we could scale these processes up and live stream a whole production.

Live broadcast is vastly expensive, typically the domain of TV or of the best-resourced theatres only. We didn’t want to compromise on quality: we wanted to remount a production in its original form – set, lighting, costumes – the theatrical works! How could Wise Children, a two-and-a-half year old, regional, Arts-Council-subsidised company, with a permanent staff of just seven, attempt something that leading arts organisations were dismissing as too risky?

Driven by the energy and skills of our Technical Director, Simon Baker, we taught ourselves to live stream. We designed a simple system, using off-the-peg technology. We scoured the internet for the right streaming platform and paywall solution, eventually teaming up with Scandinavian start-up TicketCo (who are now working with more than 30 UK theatres – introductions brokered by Wise Children). We brought the work in house; Emma was our Camera Director, Simon turned vision mixer, and cameras were operated by stage managers. This meant that the whole project was infused with a ‘Wise Children’ ethos and aesthetic and was, crucially, affordable for a small company.

In September, we became the first company to stage a full production, without distancing, in a UK theatre post-lockdown, when we broadcast five performances of *Romantics Anonymous* live to the internet from Bristol Old Vic (BOV). The broadcasts were a huge success, with nearly 12,000 tickets sold worldwide and an estimated audience of 24,000 (we believe most ticket buyers will have watched with one or more others).

The response from audiences, critics and peers was overwhelming, as it was from the 38 freelancers employed on the project, most of whom had not worked since March. As Tom Morris, Artistic Director of BOV wrote:

“Theatre has to reinvent itself in order to survive. One of the great pioneers of theatrical reinvention over the last 20 years has been Emma Rice. And she’s done it again with a live, full-scale musical streamed to audiences sitting at home all over the world. There is no company more suited to rekindle the fire of live performance that inspires us all than Wise Children.”

Wise Children Limited

Report of the trustees

For the year ended 31 March 2021

We followed *Romantics Anonymous* with broadcasts of Emma's 2017 hit *The Flying Lovers of Vitebsk*, originally produced by Kneehigh. The show was performed and streamed live from BOV in December, with more than 8,000 tickets sold for the four live broadcasts and one week 'on demand'. Once again, feedback was hugely positive, with reviews including: "It is gorgeous. And it will make you ache to see theatre live." (New York Times) and:

"The Flying Lovers may prove to be the production that defines digital theatre. For here, Emma Rice has shown us that this need not be a replacement or temporary form of performance, but it is an entirely new way of making theatre. And one that opens it up to a much larger audience." – *Theatre Weekly*

In January 2021, we were delighted when The Stage recognised this work, giving Simon its Award for Achievement in Technical Theatre.

As well as leading the field in digital innovation, we were also among the first to charge for live broadcasts: much work shown online during lockdown was free, and the digital theatre market was largely untested. To ensure reach for our broadcasts, we partnered with 38 venues worldwide, grouping them geographically to present different nights of what we called a 'digital tour', enlisting them to promote the shows to their audiences.

These digital tours gave us the chance to build international relationships which could have been stalled by the pandemic, and to connect with audiences more directly than in the past. As a touring company, Wise Children don't directly sell tickets, which are sold by the theatres we tour to, but for the first time we were selling our own tickets and communicating directly with our audiences. Our mailing list and social media reach rocketed, and we saw a glimmer of hope within the nightmare of Covid.

The School for Wise Children

In addition to creating touring productions, Wise Children runs a unique professional development programme, The School for Wise Children. Through the School we offer practical training leading to employment for performers, directors, designers, writers and technicians. Led by Emma and the leading industry figures who are her regular collaborators, the School's programme is made up of flexible modules of different durations, scheduled in a time frame that is realistic for those who can't afford to stop work while training.

In July, we moved our School for Wise Children training online, and ran the 'Summer Spread', which included seven intensive courses, nine public webinars, 42 students of whom 21 had free places, and over 100 hours of zoom teaching. We adapted planned courses for online delivery, mixing groupwork with one-to-one sessions which gave each student a unique opportunity to work in depth with course leaders. We brought together the best in the industry, with tutors including celebrated playwright Tanika Gupta and Olivier award-winning designers Vicki Mortimer and Lez Brotherston teaching alongside Emma.

30% of course leaders have global majority heritage, as well as including a proportion of women unusual in technical roles, meaning we were able to offer diverse role models and boost the visibility of diverse practitioners in the arts. The courses were a great success. One participant wrote: 'I left every session buzzing, excited to work, and feeling creative and rejuvenated. The whole of this surreal lockdown period I've been feeling really lost, I've had work cancelled and thought about looking for another career. This course reminded me not to give up.'

Wise Children Limited

Report of the trustees

For the year ended 31 March 2021

We ran a second set of online School for Wise Children Courses in February and March 2021. 'The Workrooms', included: *Adapting and Directing for Emerging Directors* with Emma Rice and Laura Keefe, *Composition and Performance* with Ian Ross and John Pfumojena, *Writing for Live Performance* with Joel Horwood and Yolanda Mercy and *Producing: An Imposter's Guide* with Poppy Keeling, Simon Baker, Reena Kalsi, Daniel Kok, Dina Mousawi & Ros Brooke-Taylor.

We received 183 applications and accepted 29 students, of whom 15 received a free place. Our three public webinars ran smoothly and gave 256 more people a chance to engage with the school. We also employed 11 freelance artists to help deliver over 75 hours of contact time on Zoom.

With its particular focus on increasing diversity amongst theatre professionals, half of all places at the school are offered free, with travel, accommodation and living costs covered. This approach means the school particularly benefits artists from lower socio-economic backgrounds, and others who find themselves unable to train through more conventional routes. According to one participant: 'as a full-time carer and not being able to work full time I hugely appreciated the support you gave me. I would not have been able to come otherwise.'

Fundraising

Fundraising during the pandemic was extremely challenging, with many trusts and foundations pausing grant-giving or directing support to existing grantees. Those that did keep grant programmes open were inundated with requests for help. Individual donors were cautious with gifts as their own incomes were impacted, and opportunities for meeting new donors (typically before or after shows) were curtailed.

In 2020/21 the company raised £59,337 from a combination of charitable foundations and individual givers, in comparison to £76,596 in 2019/20.

Major gifts were smaller than in previous years and came from two individuals, one of whom was new to Wise Children. Of these gifts, one was a general donation and the other was directed towards our move to live broadcasting.

The Wise Children Club was established as a 'grassroots movement of energy and support' and invites supporters to donate any amount from £10 upwards. At 31 March 2021 it had 337 members giving up to £1,000 each (though the majority of donations are between £10 and £100) and is an important tool in identifying new donors going forward. In 2020/21, the Club brought in a total of £7,504 (not including Gift Aid), in comparison to £4,224 in 2019/20.

We received four grants from trusts and foundations, of which two are 'repeat' grants from foundations which have now supported Wise Children each year since our launch.

We received a £10,000 Retail, Hospitality and Leisure Grant from Bristol City Council.

In December we ran a Holiday Appeal, with online donations totalling £7,430 (our 2019/20 Holiday Appeal raised £4,000).

Wise Children Limited

Report of the trustees

For the year ended 31 March 2021

Wise Children is registered with the Fundraising Regulator, and we have never knowingly contravened the Regulator's guidelines or received a complaint for our fundraising activities. All activity is carried out by employees of the company and we never make unsolicited approaches to individuals. This ensures that vulnerable people and other members of the public are protected from fundraising approaches which represent an unreasonable intrusion on a person's privacy, are unreasonably persistent, or place undue pressure on a person to give.

Financial review

The company is reporting a surplus of £254,443 on a turnover of £953,796. This surplus will be directed towards creating and touring *Wuthering Heights* in 2021/22, in what we know will be an extremely uncertain financial climate.

One key source of funding is Arts Council England: Wise Children is an Arts Council England National Portfolio Organisation for 2018-22, receiving annual funding of £475,000. In 2020/21, with almost all anticipated income lost due to the pandemic, this represents 49.8% of total annual income. In previous years, our NPO grant has been closer to a third of annual income.

Our other major source of income is productions, for which we receive a mix of co-production fees (contributions from partners towards the creation of a show), presentation fees (from theatres in respect of the weekly costs of presenting a show) and box office income (unsecured income directly related to ticket sales). With each production, we try to balance these income sources to ensure the production can be safely realised but that it also stands to benefit from box office success. In 2019/20, Production income accounted for 50.2% of annual income; in 2020/21 this fell dramatically to just 30.1%

Other sources of income include grants from trusts and foundations, with applications focused on trusts which feel aligned with the organisation's values. Gifts from individuals also represent a small but growing part of the company's income and include major gifts and our private giving scheme, The Wise Children Club.

The School for Wise Children brings in a small amount in participants' fees, but, due to the large number of subsidised places, is understood as a loss-making activity.

A small amount of commercial trading also adds to annual income. In previous years this has included sales of programmes and other production-related merchandise; in 2020/21 this income line was expanded to include hiring out live broadcasting equipment.

The financial impact of Covid-19

The trustees have considered the impact that the pandemic will have on the charity's current and future financial position. Although Wise Children's business model means it has been able to withstand the immediate impacts of the pandemic, the long term effects are likely to be wide ranging. These include:

- The theatres that commission and co-produce our work having dramatically reduced income and reserves, and being unable to collaborate with us to make new work, or only being able to support new work with much reduced budgets.
- The self employed artists, technicians and suppliers we rely on either leaving the industry or having their resources so decimated that they are no longer available to us, or only available in reduced form.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2021

- Increased demand for donations from Individuals and Trusts and Foundations, combined with historically low interest rates, means fundraising is already much harder: in 2020, the industry saw a 30% drop in donations to the arts.
- The impact on the welfare of our core staff and wider teams, particularly those who have been unable to work and / or have found themselves in financial hardship.

The charity is taking the following steps to mitigate these threats:

- Making use of every available support scheme, including the Coronavirus Job Retention Scheme, the Retail, Hospitality and Leisure Grant and applying to the government's Cultural Recovery Fund.
- Reducing overheads and salaries by quitting our office premises (we did this early in the pandemic and are still working remotely), making one staff position redundant and choosing not to cover the maternity leave of another staff member.
- Prioritising relationships with existing donors, and reworking our fundraising strategy.
- Ringfencing the 2020/21 year end surplus to support the development of new work and our planned tour of Wuthering Heights in 2021/22.

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved due to the facts that as at 31 March 2021 the charity's cash position was £499,821 and its principal funder, Arts Council England, has extended its funding to 31 March 2023.

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(b) to the financial statements.

Reserves

The trustees have reconsidered Wise Children's need for reserves in light of the unprecedented challenges posed by the pandemic and of ongoing uncertainties, both in the wider economy and specific to the performing arts sector. With the company planning to return to live touring in 2021/22 and beyond, the trustees believe that the level of unrestricted funds not designated, committed or invested (the free reserve) held should be £300,000, being the amount potentially needed to cover the risks of large scale theatre tours in the current climate. At 31 March 2021 free reserves amount to £274,643.

In addition to free reserves, the charity holds two designated unrestricted funds: an Operating Fund, currently at £160,000, and a Development Fund, currently at £200,000.

The Operating Fund is intended to ensure there are sufficient funds available to cover core running and governance costs in the event of the company's dissolution, and is set at a level of between three and six months of core expenditure, to a maximum figure of £160,000, which has been achieved.

In addition, the trustees are also building a Development Fund of £250,000, designed to allow the company to take risks developing new work. Once the Development Fund is established to the desired level, the trustees plan to create a Building Fund, with the intention of supporting the company's ambition to own and run a creative space.

The trustees review the company's reserves policy in detail on a regular basis.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2021

Plans for future periods

The company's plans for 2021/22 centre on getting back to making live work.

We were invited to create a new show to reopen The Old Vic (London) after 16 months of closure, and made a triumphant return to live shows in July and August with *Bagdad Cafe*, described by the Financial Times as "a warm, exuberant ensemble piece full of heart and hope – an absolute tonic".

In October 2021, our long-postponed production of *Wuthering Heights* premiered at BOV, to rave reviews, followed by two weeks of shows at York Theatre Royal. We're currently on a break in the tour schedule, and will resume in February 2022 with a seven-week run at the National's Lyttelton Theatre. Following that, the show will tour the UK until June 2022.

Wuthering Heights represents a greater financial risk to the company than we've taken in the past, as so many regional theatres are struggling with the impact of the pandemic on their finances. In order to keep the tour intact, we had to renegotiate fees with all partners and, in every case, the outlook is worse for Wise Children, with co-producers contributing less and not one venue offering a guaranteed fee. A far greater portion of the risk will now be borne by Wise Children.

To mitigate this, we've done a huge amount of fundraising, including securing an ACE Project Grant. We've made the decision to push ahead with the tour, despite the financial challenges, because we believe that the existential threats to Wise Children if we don't continue making and touring work outweigh those financial risks. We've also modelled worst-case scenarios and know that our fundraising efforts and reserves mean we can manage the risk.

We're looking forward to returning to in-person teaching at the School for Wise Children, and to continue live broadcasting: both *Bagdad Cafe* and *Wuthering Heights* were live streamed during their (live) runs.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 charity and of the income and expenditure of the charity for that period. In preparing those 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Wise Children Limited

Report of the trustees

For the year ended 31 March 2021

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 8.

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 15 December 2021 and signed on their behalf by

Clare Reddington

N.J. Rogers

C Reddington - Chair

Nicholas Rogers - Trustee

Independent auditors' report

To the members of

Wise Children Limited

Opinion

We have audited the financial statements of Wise Children Limited (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 charity'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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Independent auditors' report

To the members of

Wise Children Limited

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

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

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

Our 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

Wise Children Limited

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

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditors' report

To the members of

Wise Children Limited

Use of our report

This report is made solely to the charity'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 charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Godfrey

Date: 16 December 2021

**Alison Godfrey FCA
(Senior Statutory Auditor)**

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Wise Children Limited**Statement of financial activities** *(incorporating an income and expenditure account)***For the year ended 31 March 2021**

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from:					
Donations and legacies	3	20,500	589,124	609,624	560,336
Charitable activities	4	-	344,172	344,172	1,340,394
Total income		<u>20,500</u>	<u>933,296</u>	953,796	1,900,730
Expenditure on:					
Raising funds		-	8,887	8,887	16,484
Charitable activities		<u>20,500</u>	<u>669,966</u>	690,466	1,780,518
Total expenditure	6	<u>20,500</u>	<u>678,853</u>	699,353	1,797,002
Net income and net movement in funds	7	-	254,443	254,443	103,728
Reconciliation of funds:					
Total funds brought forward		-	<u>380,200</u>	380,200	276,472
Total funds carried forward		<u>-</u>	<u>634,643</u>	634,643	380,200

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the accounts.

Wise Children Limited

Balance sheet

As at 31 March 2021

	Note	£	2021 £	2020 £
Current assets				
Debtors	10	264,960		421,159
Cash at bank and in hand		<u>499,821</u>		<u>167,930</u>
		764,781		589,089
Liabilities				
Creditors: amounts falling due within 1 year	11	<u>(130,138)</u>		<u>(208,889)</u>
Net current assets			<u>634,643</u>	<u>380,200</u>
Net assets	12		<u><u>634,643</u></u>	<u><u>380,200</u></u>
Funds				
Restricted funds	13		-	-
Unrestricted funds				
Designated funds			360,000	200,000
General funds			<u>274,643</u>	<u>180,200</u>
Total charity funds			<u><u>634,643</u></u>	<u><u>380,200</u></u>

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

Approved by the trustees on 15 December 2021 and signed on their behalf by



N Rogers - Trustee

Wise Children Limited

Statement of cash flows

For the year ended 31 March 2021

	2021	2020
	Total	Total
	£	£
Cash used in operating activities:	254,443	103,728
Net movement in funds		
Adjustments for:		
Loss / (profit) on the disposal of fixed assets	-	776
Decrease / (increase) in debtors	156,199	14,714
Increase / (decrease) in creditors	(78,751)	(163,795)
Net cash provided by / (used in) operating activities	<u>331,891</u>	<u>(44,577)</u>
Increase / (decrease) in cash and cash equivalents in the year	331,891	(44,577)
Cash and cash equivalents at the beginning of the year	<u>167,930</u>	<u>212,507</u>
Cash and cash equivalents at the end of the year	<u><u>499,821</u></u>	<u><u>167,930</u></u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in 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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Wise Children 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 note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. However, the COVID-19 pandemic has had a profound impact on the global economy, and has in turn affected the charity. The trustees have considered the impact of this issue on the charity's current and future financial position. Considering the charity's performance in the post year end period, and cash balances at March 2021, the trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

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

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

Income received in advance of provision of theatrical productions or training events is deferred until criteria for income recognition are met.

d) Interest receivable

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.

e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

f) Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to expenditure on charitable activities which is deemed to be reflective of the activities of the charity in this period.

h) Debtors

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

i) Cash at bank and in hand

Cash at bank and cash 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.

j) Creditors

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.

k) Financial instruments

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

l) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

m) Termination payments

Where an employee receives a termination payment, the cost is recognised at the date that the employee is notified.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

n) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Theatre Tax Relief

The charity has estimated the credit receivable under Theatre Tax Relief based on its eligible production expenditure incurred during the period. This amount is £36,631 and is included within income from charitable activities and accrued income at the year end. As this amount is subject to review and approval by HMRC, actual results may differ.

2. Prior period comparatives: statement of financial activities

	Restricted	Unrestricted	2020 Total
	£	£	£
Income from:			
Donations and legacies	30,000	530,336	560,336
Charitable activities	-	1,340,394	1,340,394
Total income	30,000	1,870,730	1,900,730
Expenditure on:			
Raising funds	-	16,484	16,484
Charitable activities	30,000	1,750,518	1,780,518
Total expenditure	30,000	1,767,002	1,797,002
Net income and net movement in funds	-	103,728	103,728

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2021

3. Income from grants and donations

	Restricted £	Unrestricted £	2021 Total £
Individual donations	5,000	38,676	43,676
Grants receivable for core activities:			
Arts Council England	-	475,000	475,000
Coronavirus Job Retention Scheme	-	59,883	59,883
Bristol City Council	-	15,404	15,404
The Broughton Family Charitable Trust	10,000	-	10,000
Other smaller and anonymous donations	5,500	161	5,661
Total income from donations	20,500	589,124	609,624

Prior period comparative:

	Restricted £	Unrestricted £	2020 Total £
Individual donations	15,000	26,096	41,096
Grants receivable for core activities:			
Arts Council England	-	483,740	483,740
The Broughton Family Charitable Trust	15,000	-	15,000
Other smaller and anonymous donations	-	20,500	20,500
Total income from donations	30,000	530,336	560,336

4. Income from charitable activities

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from production contracts	-	8,553	8,553	895,879
Box office and royalties	-	278,680	278,680	57,510
Theatre tax relief	-	42,451	42,451	199,705
Management charges	-	-	-	166,232
Other charitable activities	-	14,488	14,488	21,068
Total income from charitable activities	-	344,172	344,172	1,340,394

All income from charitable activities was unrestricted in the prior period.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2021

5. Government grants

The charitable company receives government grants, defined as funding from Arts Council England, Bristol City Council and the Coronavirus Job Retention Scheme to fund charitable activities. The total value of such grants in the period ending 31 March 2021 was £544,883 (2020: £483,740). There are no unfulfilled conditions or contingencies attaching to these grants.

6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Staff costs (note 8)	6,303	133,098	297,312	436,713
Production costs	-	187,901	-	187,901
Rent and rates	-	-	12,800	12,800
Insurance	-	-	7,537	7,537
Travel and subsistence	-	8,722	1,813	10,535
Printing, postage and stationary	-	-	9,520	9,520
Advertising and marketing	-	-	3,485	3,485
Telecommunications	-	-	808	808
Computer expenses	-	-	4,464	4,464
Accountancy	-	-	8,875	8,875
Consultancy	-	-	1,250	1,250
Legal and professional	1,500	-	3,400	4,900
Bank charges	-	-	1,675	1,675
Other charitable expenditure	-	7,806	-	7,806
Fundraising	1,084	-	-	1,084
Sub-total	8,887	337,527	352,939	699,353
Allocation of support and governance costs	-	352,939	(352,939)	-
Total expenditure	8,887	690,466	-	699,353

Total governance costs were £4,600 (2020: £4,437).

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2021

6. Total expenditure (prior period comparative)

	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Staff costs (note 8)	7,860	370,582	245,639	624,081
Depreciation and impairment	-	-	1,056	1,056
Production costs	-	871,322	-	871,322
Touring allowances	-	55,995	-	55,995
Rent and rates	-	-	20,505	20,505
Insurance	-	-	6,641	6,641
Travel and subsistence	-	70,828	13,846	84,674
Printing, postage and stationary	-	-	8,601	8,601
Advertising and marketing	-	50,418	1,259	51,677
Telecommunications	-	-	782	782
Computer expenses	-	-	4,179	4,179
Accountancy	-	-	9,750	9,750
Consultancy	7,059	-	27,436	34,495
Legal and professional	-	-	100	100
Bank charges	-	-	1,554	1,554
Hire purchase interest	-	-	260	260
Bad debt write offs	-	-	1,292	1,292
Other charitable expenditure	-	18,352	84	18,436
Governance	-	-	37	37
Fundraising	1,565	-	-	1,565
Sub-total	16,484	1,437,497	343,021	1,797,002
Allocation of support and governance costs	-	343,021	(343,021)	-
Total expenditure	<u>16,484</u>	<u>1,780,518</u>	<u>-</u>	<u>1,797,002</u>

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2021

7. Net movement in funds

This is stated after charging:

	2021	2020
	£	£
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	37
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	4,600	4,400
▪ Other services	250	250
	<u>250</u>	<u>250</u>

Trustees' reimbursed expenses in the prior year comprised travel expenses for one trustee.

8. Staff costs and numbers

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	279,325	286,193
Social security costs	23,934	25,164
Pension costs	6,616	6,741
Redundancy costs	1,076	-
Freelance production staff	125,762	305,983
	<u>436,713</u>	<u>624,081</u>

One employee earned between £70,000 and £80,000 during the year. (2020: One employee earned between £70,000 and £80,000.)

The key management personnel of the charitable company comprise the Creative Director and the Executive Producer. The total employee benefits of the key management personnel were £136,946 (2020: £136,556).

During the year, redundancy payments totalling £1,076 were made. There were no amounts outstanding at 31 March 2021.

	2021	2020
	No.	No.
Organisation	7	7
Production	1	4
Total average head count	<u>8</u>	<u>11</u>

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2021

10. Debtors

	2021	2020
	£	£
Trade debtors	4,215	12,396
Prepayments and accrued income	239,257	333,981
Other debtors	21,488	74,782
	<u>264,960</u>	<u>421,159</u>

11. Creditors : amounts due within 1 year

	2021	2020
	£	£
Trade creditors	25,506	13,256
Accruals	78,025	161,192
Other taxation and social security	6,399	7,902
Other creditors	20,208	26,539
	<u>130,138</u>	<u>208,889</u>

12. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Current assets	-	360,000	404,781	764,781
Current liabilities	-	-	(130,138)	(130,138)
Net assets at 31 March 2021	<u>-</u>	<u>360,000</u>	<u>274,643</u>	<u>634,643</u>

Prior period comparative	Restricted funds £	Designated funds £	General funds £	Total funds £
Current assets	-	200,000	389,089	589,089
Current liabilities	-	-	(208,889)	(208,889)
Net assets at 31 March 2020	<u>-</u>	<u>200,000</u>	<u>180,200</u>	<u>380,200</u>

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2021

13. Movements in funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
School for Wise Children	-	15,500	(15,500)	-	-
Production activities	-	5,000	(5,000)	-	-
Total restricted funds	-	20,500	(20,500)	-	-
Unrestricted funds					
<i>Designated funds:</i>					
Operational fund	160,000	-	-	-	160,000
Development fund	40,000	-	-	160,000	200,000
<i>Total designated funds</i>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>160,000</u>	360,000
General funds	<u>180,200</u>	<u>933,296</u>	<u>(678,853)</u>	<u>(160,000)</u>	274,643
Total unrestricted funds	<u>380,200</u>	<u>933,296</u>	<u>(678,853)</u>	<u>-</u>	634,643
Total funds	<u>380,200</u>	<u>953,796</u>	<u>(699,353)</u>	<u>-</u>	634,643

Purposes of restricted funds

School for Wise Children Donations restricted towards the School for Wise Children.

Production activities To collect all donations restricted to specific productions.

Purposes of designated funds

Operational fund To maintain a fund of between 3 and 6 months core expenditure, to ensure sufficient funds are available to cover core running and governance costs in the event of the company's dissolution.

Development fund To allow the company to take risks with new work and touring. The company intends to build this reserve to £250,000.

Wise Children Limited

Notes to the financial statements

For the year ended 31 March 2021

13. Movements in funds (continued)

Prior period comparative

	At 1 April 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2020 £
Restricted funds					
Production activities	-	30,000	(30,000)	-	-
Total restricted funds	-	30,000	(30,000)	-	-
Unrestricted funds					
<i>Designated funds:</i>					
Operational fund	50,000	-	-	110,000	160,000
Development fund	-	-	-	40,000	40,000
<i>Total designated funds</i>	50,000	-	-	150,000	200,000
General funds	226,472	1,870,730	(1,767,002)	(150,000)	180,200
Total unrestricted funds	276,472	1,870,730	(1,767,002)	-	380,200
Total funds	276,472	1,900,730	(1,797,002)	-	380,200

14. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2021 £	2020 £
Amount falling due:		
Within 1 year	-	6,345

15. Related party transactions

There were no related party transactions during the year. During the prior year, the charity received £9,000 from National Theatre for research and development. Matt Armstrong, Trustee, works for the National Theatre as Head of Trusts and Foundations.