

Charity Registration No. 1178796

Company Registration No. 06667896 (England and Wales)

2FACED DANCE COMPANY LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

2FACED DANCE COMPANY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A M Green	
	Mr J P Chartres	
	Ms D S Johnson	
	Mr J N Jones	
	Ms E Knight	
	Ms A R Thomas	
	Mr J R Boyle	(Appointed 21 October 2020)
	Dr R P Morgan	(Appointed 20 October 2020)
	Ms J R Cleves	(Appointed 20 April 2021)
Secretary	Mr A M Green	
Charity number	1178796	
Company number	06667896	
Registered office	The Old Court Gaol Street Hereford HR1 2HU	
Independent examiner	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS	

2FACED DANCE COMPANY LIMITED

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2FACED DANCE COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objectives, as stated in the governing documents, are to advance and promote participation in and appreciation of performance art, especially in the form of dance, and to provide education and training in performance art, especially dance and associated disciplines.

In shaping our objectives for the year and planning our activities we have considered the Charity Commission's guidance on public benefit, including the guidance "public benefit: running a charity (PB2)" at our Trustees' meetings. In setting the levels of ticket prices, fees and other charges the Board and senior management is committed to ensuring that all activities are available to those on low incomes through the provision of fair pricing, concessions and, where applicable, bursaries.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

The continuation of the pandemic over the period of the past 12 months gave rise to considerable change and challenge for 2Faced Dance Company. As a result, we took decisive actions to secure the future of the organisation.

We determined new goals at regular intervals and adapted our work to continue to serve our artists, audiences, and participants with extraordinary and diverse experiences, trying and trialling new ways of working, despite the challenges of COVID-19.

Following the closure of our Centre for Movement and in line with government guidelines in March 2020, we took advantage of the Government's Coronavirus Job Retention Scheme which supported our 7 permanent staff. We are grateful to Arts Council England (ACE) for their financial support through the Cultural Recovery Fund administered through the Department for Digital, Culture, Media and Sport and ACE which helped us to recover earned and fundraised income which would otherwise have been lost. It also helped us to support and honour all freelance contracts for work cancelled due to the pandemic. We were also fortunate to receive support from The National Lottery, Co-op Foundation, Herefordshire Community Foundation and The Elmley Foundation.

Defying the odds, a new collaboration came to fruition in the guise of The Ford Collective. Spearheaded by our Artistic Director and working alongside Feral productions and Open Sky Theatre, a new model of artist development, collaboration and support was formed for artists who live and/or work in Herefordshire. Seeing the need for human connectedness, support/guidance and signposting opportunities, this original group of 5 became a group of 200+ artists from across the county. We held fortnightly networking and professional development sessions for Herefordshire based artists throughout the year. A chance for artists to talk, bounce around ideas, listen to each other and establish creative connections. We held fundraising, wellbeing, and accountancy surgeries for small groups of artists. This led to 2 members gaining Arts Council England Funding for the first time. We held in person Playbox events at the Centre for Movement. These sessions were attended by 48 local artists from musicians to visual artists and everything in between. These sessions facilitated by 2Faced Dance Company provided a covid safe creative platform for artists to play with ideas and interact with other artists. Participants came from Hereford, Gloucester, Cheltenham, and Cardiff.

2FACED DANCE COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

A sense of purpose combined with rigorous team efforts to remain “open” for business throughout the pandemic allowed 2Faced Dance to be there and listen to its community. Time was spent ensuring that our Centre for Movement would be available to those who needed extra space to work, space to create or space to deliver much needed dance and movement classes. This saw local schools using the space to deliver PE classes, local providers of well-being sessions delivering yoga and mindfulness and dance teachers using the space to run their classes for young people. Alongside these professional independent artists, musicians and dancers accessed the studios for training and creation.

With our community very much in our minds, we undertook an access audit to gain recommendations on how we might evolve our spaces so that they can be accessed by all. An induction loop system, a new sprung floor, LED lighting, mirrors and digital equipment were installed alongside some DIY projects to ensure that those with visual impairments could distinguish between doors and walls. Alongside this we worked with our landlord to upgrade the accessible toilet.

In December 2020 we augmented and launched an entirely new online festival, MultiStory, curated by and for young people. 2500 people took part in the festival from 8 different countries. 41 artists worked on the project and 2 young artists Sean Moss and Isla Hurst, were commissioned to create new work on the company as part of the project. This continues our strategy to educate and train the next generation of young artists whilst developing the next generation of talent. We continued a combination of online and live classes (where possible) so we were able to keep serving our existing audiences as well as reaching new audiences for our work both in the UK and Internationally.

We worked tirelessly to listen, reflect, and communicate with our staff, participants, artists and audiences whilst paying extraordinary levels of attention to seismic changes in the external environment. Rather than shy away from the scale of the challenge, we have worked to seize the opportunities brought about by the pandemic to accelerate the urgency and pace of change. We generated new relationships with artists, organisations and festivals allowing us to create and deliver a programme of world class dance which responds to the changing touring landscape. This included creating a short film for Severn Arts alongside Luke Jerram's poignant memorial, In Memoriam. Created from 120 bed sheets, In Memoriam was a symbol of local, national and international solidarity. Visitors were able to reflect and remember those affected by COVID-19 whilst thanking the NHS and Key Workers.

We remain humbled by the extraordinary efforts of everyone at 2Faced Dance Company and our community who have supported it throughout. We would especially wish to acknowledge our Joint Interim Chairs Diana Johnson and Alex Green who have been fundamental in providing leadership and support to the whole staff team, when faced with the seemingly impossible.

Financial review

During the year total income received amounted to £502,298 (2020: £397,847) which included an amount of £133,200 from the Arts Council England Cultural Recovery Fund recognised as a designated fund. An amount of £29,886 of total income was received for a restricted purpose.

Expenditure totalled £289,689 resulting in an overall surplus of £212,609 (2019: a deficit of £24,087). Of the expenditure noted above £14,006 was spent from the restricted reserves and £71,690 on designated funds for the purposes of the Cultural Recovery Fund.

The total reserves as at the balance sheet date amounted to £216,410, of £28,245 (2019: £21,365) related to restricted funds, £161,510 to designated funds and unrestricted funds carried forward showed a surplus of £26,655 (2019: £17,564) at the year end, an increase of £44,219 in the year. Further details regarding restricted and designated funds are included in notes 16 and 17 to the financial statements.

The trustees reviewed the existing reserves policy during the year, and due to the surplus at the end of the year the decision was made to create a “designated” unrestricted reserve of £100,000 which would equate to approximately three months of normal trading for the charitable company to enable us to continue in the event of any future restrictions.

The ACE Cultural Recovery grant activity has also been recognised as a designated fund to record spends, the balance carried forward to next year amounts to £61,510 as a three month extension was awarded due to continued lockdown issues.

2FACED DANCE COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Principal funding sources

The following grant-giving bodies donated to the charitable company during the year: The Elmley Foundation, Herefordshire Community Foundation, Arts Council England, The National Lottery Community Fund and The Co-op Foundation.

In respect of assistance in response to the Covid-19 pandemic, we received £20,232 from Hereford Council on rate rebates and lockdown closure grants, £78,696 from the Central Government Job Retention Scheme and £133,200 from the Arts Council England Cultural Recovery Fund.

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

Covid 19 and the future

Covid 19 had a significant impact on the charity during the year as we expected. We were impacted by the Government's lockdowns which lead to the cancellation or postponement of our planned tour dates, cancellation of our Learning & Participation programme and temporary closure of our building. All staff were asked to work from home before being put on furlough.

Under normal circumstances we are non-reliant on one source of income and approximately half of our total income comes from public, private and earned sources. Covid meant that we did not receive any income, apart from our NPO, for the first 5 months of the year. With no fixed date on when theatres could reopen, tours continued to be cancelled throughout 2020 and as far ahead into summer of 2021. We were able to open our studio spaces for Learning and Participation classes with young children once schools had reopened between the lockdown periods but this was on a much smaller scale than anticipated and for a shorter length of time.

Despite the addition of a freelance Fundraiser to the company team, raising funds from private sources was very difficult throughout the year. There was generally an increased level of competition for funds and other priorities meant the arts suffered as a result. Our success rate has been very low. This trend will continue into next year.

The trustees of the organisation have been very supportive and pro active throughout the crisis, forming a C19 emergency board to be able to help and provide support in the fast paced changing landscape. Alongside our Artistic Director the board have worked hard to try and find new ways of generating funds both in this financial year and looking into the future. However the pandemic has impacted the arts sector hugely and with mass redundancies and many permanent closures it continues to be a hugely challenging time for the sector.

Despite the difficulties, we finished the year in a stronger financial position than we had envisaged, primarily because expenditure on touring and creation was much lower than in normal years. However, without the government support and funding to assist the company through the worst of the pandemic this could have been a very different picture.

Structure, governance and management

The Charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee as defined by the Companies Act 2006.

2Faced Dance Company Limited incorporated on 8 August 2008 and registered as a charity on 16 June 2018.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr A M Green

Mr S H Chandler

(Resigned 20 April 2021)

Mr J P Chartres

Ms D S Johnson

Mr J N Jones

Ms E Knight

Ms A R Thomas

2FACED DANCE COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2021*

Ms A R Joss	(Resigned 19 October 2020)
Mr J R Boyle	(Appointed 21 October 2020)
Dr R P Morgan	(Appointed 20 October 2020)
Ms J R Cleves	(Appointed 20 April 2021)

Directors can serve a maximum of 2 terms, each of 3 years duration. The Board is approved and audited every two to three years in line with the recruitment and Board term cycle. A regular skills audit as part of a Governance Review helps to identify areas of need, informing the Board recruitment strategy. None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

2Faced Dance is managed by a Board of Trustees who also act as directors of the Company. Trustees are recruited from a variety of sectors and demonstrate a range of skills including fundraising, education, HR, corporate governance, marketing, arts and business development.

The Board delegates day-to-day operational responsibility to the Executive team, led by Artistic Director, Tamsin Fitzgerald and Executive Director, Ian Abbott. Remuneration of the senior executives is based on the latest intelligence on comparable posts' rate of pay in the arts sector. Pay is reviewed for all staff annually, and annual rises, when affordable, are based on the rate recommended by Independent Theatre Council.

Newly appointed trustees receive a comprehensive induction into the Company, including a meeting with the Chair to discuss the role of the Board and responsibility of the trustees, and a meeting with the Executive Team to discuss artistic and management objectives. An induction pack contains the Company business plan and contributory documents; a copy of the governing documents; all current policies including Safeguarding, Equal Opportunities and Health & Safety; the most recent annual report; current annual budget and most recent management accounts; a copy of Arts Council England's National Portfolio Organisation agreement, and an outline of the responsibilities of the role of a Trustee. Trustees are encouraged to attend performances of the Company's work where possible.

During the year two members of key management received remuneration and benefits totalling £46,471 (2020: £73,440).

The Trustees' report was approved by the Board of Trustees.

Mr A M Green

Trustee

Dated: 14 December 2021

2FACED DANCE COMPANY LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF 2FACED DANCE COMPANY LIMITED

I report to the Trustees on my examination of the financial statements of 2Faced Dance Company Limited (the Charity) for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

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

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

Sarah Morley ACA

for and on behalf of Kendall Wadley LLP

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Dated: 14 December 2021

2FACED DANCE COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

Current financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes					
Income from:						
Donations and legacies	3	298,491	133,200	2,045	433,736	198,385
Charitable activities	4	16,141	-	27,841	43,982	176,751
Other trading activities	5	24,571	-	-	24,571	22,674
Investments	6	9	-	-	9	37
Total income		339,212	133,200	29,886	502,298	397,847
Expenditure on:						
Charitable activities	7	203,993	71,690	14,006	289,689	421,934
Net incoming/(outgoing) resources before transfers		135,219	61,510	15,880	212,609	(24,087)
Net incoming/(outgoing) resources before transfers		135,219	61,510	15,880	212,609	(24,087)
Gross transfers between funds	11	(91,000)	100,000	(9,000)	-	-
Net income/(expenditure) for the year/ Net movement in funds		44,219	161,510	6,880	212,609	(24,087)
Fund balances at 1 April 2020		(17,564)	-	21,365	3,801	27,888
Fund balances at 31 March 2021		26,655	161,510	28,245	216,410	3,801

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

2FACED DANCE COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	192,000	6,385	198,385
Charitable activities	4	90,151	86,600	176,751
Other trading activities	5	22,674	-	22,674
Investments	6	37	-	37
Total income		304,862	92,985	397,847
<u>Expenditure on:</u>				
Charitable activities	7	328,004	93,930	421,934
Net incoming/(outgoing) resources before transfers		(23,142)	(945)	(24,087)
Gross transfers between funds	11	(6,565)	6,565	-
Net income/(expenditure) for the year/ Net movement in funds		(29,707)	5,620	(24,087)
Fund balances at 1 April 2019		12,143	15,745	27,888
Fund balances at 31 March 2020		(17,564)	21,365	3,801

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

2FACED DANCE COMPANY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		12,603		6,310
Current assets					
Stocks	13	100		100	
Debtors	14	43,186		42,040	
Cash at bank and in hand		174,185		1,522	
		<u>217,471</u>		<u>43,662</u>	
Creditors: amounts falling due within one year	15	<u>(13,664)</u>		<u>(46,171)</u>	
Net current assets/(liabilities)			203,807		(2,509)
Total assets less current liabilities			<u>216,410</u>		<u>3,801</u>
Income funds					
Restricted funds	16		28,245		21,365
<u>Unrestricted funds</u>					
Designated funds	17	161,510		-	
General unrestricted funds		<u>26,655</u>		<u>(17,564)</u>	
			188,165		(17,564)
			<u>216,410</u>		<u>3,801</u>

2FACED DANCE COMPANY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 14 December 2021

Mr A M Green
Trustee

Company Registration No. 06667896

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

2Faced Dance Company Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Old Court, Gaol Street, Hereford, HR1 2HU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributable to particular headings they have been allocated to activities on a basis consistent with the use of resources.

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% Reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, and deposits held at call with banks.

1.10 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	4,030	-	-	4,030	-	-	-
Grants	294,461	133,200	2,045	429,706	192,000	6,385	198,385
	<u>298,491</u>	<u>133,200</u>	<u>2,045</u>	<u>433,736</u>	<u>192,000</u>	<u>6,385</u>	<u>198,385</u>
Grants receivable for core activities							
Arts Council	195,533	-	-	195,533	192,000	-	192,000
Northern School of Contemporary Dance	-	-	2,045	2,045	-	3,330	3,330
Rural Media GIF	-	-	-	-	-	2,000	2,000
West Midlands International Trade	-	-	-	-	-	1,055	1,055
Arts Council England - Cultural Recovery Grant	-	133,200	-	133,200	-	-	-
Herefordshire Council Covid-19 government funding	20,232	-	-	20,232	-	-	-
Coronavirus job retention scheme grant	78,696	-	-	78,696	-	-	-
	<u>294,461</u>	<u>133,200</u>	<u>2,045</u>	<u>429,706</u>	<u>192,000</u>	<u>6,385</u>	<u>198,385</u>

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	Advance and promote 2021 £	Educate and Train 2021 £	Total 2021 £	Advance and promote 2020 £	Educate and Train 2020 £	Total 2020 £
Sales within charitable activities	2,211	13,930	16,141	70,159	38,592	108,751
Performance related grants	17,941	9,900	27,841	35,500	32,500	68,000
	<u>20,152</u>	<u>23,830</u>	<u>43,982</u>	<u>105,659</u>	<u>71,092</u>	<u>176,751</u>
Analysis by fund						
Unrestricted funds - general	2,211	13,930	16,141	51,559	38,592	90,151
Restricted funds	17,941	9,900	27,841	54,100	32,500	86,600
	<u>20,152</u>	<u>23,830</u>	<u>43,982</u>	<u>105,659</u>	<u>71,092</u>	<u>176,751</u>
Performance related grants						
The Elmley Foundation	-	9,000	9,000	10,000	9,000	19,000
National Lottery Community Fund	7,700	-	7,700	-	-	-
Herefordshire Council	500	-	500	-	-	-
Children & The Arts	-	-	-	-	7,500	7,500
Pavilion Dance South West	-	-	-	-	1,000	1,000
The Co-Op Foundation	9,741	-	9,741	6,500	3,500	10,000
Herefordshire Community Fund	-	900	900	5,000	-	5,000
Start 5 (UoW)	-	-	-	-	11,500	11,500
Postcode Lottery	-	-	-	11,000	-	11,000
Dance Xchange	-	-	-	1,000	-	1,000
Marches Family Network	-	-	-	2,000	-	2,000
	<u>17,941</u>	<u>9,900</u>	<u>27,841</u>	<u>35,500</u>	<u>32,500</u>	<u>68,000</u>

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Other trading activities

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Fundraising events	24,571	22,674
	<u> </u>	<u> </u>

6 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	9	37
	<u> </u>	<u> </u>

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Charitable activities

	Advance and Promote 2021 £	Educate and Train 2021 £	Total 2021 £	Advance and Promote 2020 £	Educate and Train 2020 £	Total 2020 £
Other operating leases	6,068	-	6,068	6,165	-	6,165
Hospitality	-	-	-	166	10	176
Touring costs	-	-	-	43,136	5,403	48,539
Venue and room hire	16,154	12,389	28,543	10,270	7,882	18,152
Project materials	4,750	19	4,769	10,236	2,358	12,594
Covid-19 costs	8,094	-	8,094	-	-	-
Freelance artists	6,098	800	6,898	44,856	4,408	49,264
Advertising & marketing	2,400	-	2,400	-	-	-
Professional fees	3,000	-	3,000	-	-	-
Small equipment	13,941	-	13,941	-	-	-
	<u>60,505</u>	<u>13,208</u>	<u>73,713</u>	<u>114,829</u>	<u>20,061</u>	<u>134,890</u>
Share of support costs (see note 8)	137,620	77,411	215,031	196,709	87,835	284,544
Share of governance costs (see note 8)	945	-	945	2,500	-	2,500
	<u>199,070</u>	<u>90,619</u>	<u>289,689</u>	<u>314,038</u>	<u>107,896</u>	<u>421,934</u>
Analysis by fund						
Unrestricted funds - general	113,390	90,603	203,993	235,623	92,381	328,004
Unrestricted funds - designated	71,690	-	71,690	-	-	-
Restricted funds	13,990	16	14,006	78,415	15,515	93,930
	<u>199,070</u>	<u>90,619</u>	<u>289,689</u>	<u>314,038</u>	<u>107,896</u>	<u>421,934</u>

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	182,949	-	182,949	241,623	-	241,623
Depreciation	3,544	-	3,544	2,103	-	2,103
Advertising	3,153	-	3,153	12,925	-	12,925
Payroll fees	2,262	-	2,262	3,061	-	3,061
Bookkeeping	8,358	-	8,358	9,843	-	9,843
Bank charges	286	-	286	261	-	261
Insurance	2,227	-	2,227	2,130	-	2,130
Subscriptions	1,518	-	1,518	1,335	-	1,335
Telephone	1,698	-	1,698	1,391	-	1,391
Postage and stationery	404	-	404	488	-	488
Sundries	3,375	-	3,375	8,901	-	8,901
Professional fees	5,257	-	5,257	483	-	483
Independent examination	-	900	900	-	2,500	2,500
Trustee expenses	-	45	45	-	-	-
	<u>215,031</u>	<u>945</u>	<u>215,976</u>	<u>284,544</u>	<u>2,500</u>	<u>287,044</u>
Analysed between Charitable activities	<u>215,031</u>	<u>945</u>	<u>215,976</u>	<u>284,544</u>	<u>2,500</u>	<u>287,044</u>

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

10 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
<u>6</u>	<u>8</u>

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10 Employees

(Continued)

Employment costs	2021 £	2020 £
Wages and salaries	170,616	222,761
Social security costs	9,026	14,832
Other pension costs	3,307	4,030
	<u>182,949</u>	<u>241,623</u>

No employees received emoluments in excess of £60,000.

11 Transfers

By kind permission of the donor funds of £9,000 (2020 - £11,000) have been re-designated as for general use and released to unrestricted funds.

During the year £100,000 has been transferred from unrestricted funds to designated funds to create a risk reserve as part of the current reserves policy.

Other transfers of £nil (2020 - £17,565) have been made from unrestricted funds to restricted funds to cover deficits incurred on specific projects.

12 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2020	15,542
Additions	9,837
	<u>25,379</u>
At 31 March 2021	
Depreciation and impairment	
At 1 April 2020	9,232
Depreciation charged in the year	3,544
	<u>12,776</u>
At 31 March 2021	
Carrying amount	
At 31 March 2021	12,603
	<u>6,310</u>
At 31 March 2020	

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Stocks

	2021 £	2020 £
Finished goods and goods for resale	100	100

14 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	342	13,309
Other debtors	4,255	2
Prepayments and accrued income	35,788	25,929
	40,385	39,240

	2021 £	2020 £
Amounts falling due after more than one year:		
Prepayments and accrued income	2,800	2,800
	43,186	42,040

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	3,520	4,305
Trade creditors	4,173	33,632
Other creditors	677	994
Accruals and deferred income	5,294	7,240
	13,664	46,171

Deferred income of £nil (2020: £180) is included in accruals above. The deferred income relates to income paid in advance for community classes running post year end.

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				Balance at 31 March 2021 £
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	
Bench	5,015	10,000	(10,307)	-	4,708	-	(16)	-	4,692
Start	1,992	19,000	(14,335)	-	6,657	-	-	-	6,657
Box of Delights	8,738	29,600	(52,349)	14,011	-	-	-	-	-
The Co-op Foundation - Space to Connect	-	10,000	(7,000)	-	3,000	9,741	(3,400)	-	9,341
Other	-	1,055	(2,189)	1,134	-	-	-	-	-
GIF	-	2,000	(2,000)	-	-	-	-	-	-
National Lottery Community Found - Multi-Story	-	7,000	-	-	7,000	7,700	(8,045)	-	6,655
Postcode Community Trust	-	11,000	-	(11,000)	-	-	-	-	-
Northern School Contemporary dance - Bursary	-	3,330	(5,750)	2,420	-	2,045	(2,045)	-	-
Herefordshire Council - Keeping Connected	-	-	-	-	-	500	(500)	-	-
Herefordshire Community FUnd - Company of Wolves	-	-	-	-	-	900	-	-	900
The Elmley Foundation	-	-	-	-	-	9,000	-	(9,000)	-
	<u>15,745</u>	<u>92,985</u>	<u>(93,930)</u>	<u>6,565</u>	<u>21,365</u>	<u>29,886</u>	<u>(14,006)</u>	<u>(9,000)</u>	<u>28,245</u>

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Restricted funds

(Continued)

Bench - a development and support programme which 2FD has created to combat gender inequality in dance. This fund will be used for commissioning and events.

Start - a multi-year programme working with schools in Herefordshire with cultural visits, workshops, teacher CPD and special events for young people.

Box of Delights - contribution to the cost of putting on a major Christmas performance in Hereford, based on John Masefield's Box of Delights.

Space to Connect - consult with artists and micro-SME's from the creative/cultural industries across Herefordshire as we had a collective desire to engage in a conversation and try to find a solution to our collective lack of access to appropriate spaces in our County.

West Midland International - underwrite the costs of a trade visit to Singapore with a view to potential taking 2FD touring there.

GIF - funding for a GIF Portrait Project.

Multi-story - support for an outdoor community show to take place in the roof of a multi-story car park in Hereford. This took place online due to covid resulting in reduced spending.

Bursary - Northern School of Contemporary Dance contribute towards the cost of paying a bursary to an apprentice dancer and underwrite the touring costs of said apprentice.

Keeping Connected - Herefordshire Council grant to cover cost of PR agency in keeping 2FD visible during lockdown.

Company of Wolves - Herefordshire Community Fund for a new community class to be run over summer 2020, but postponed due to covid.

The Elmley Foundation - with kind permission these monies were re-designated to fund a digital programme.

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Arts Council - Cultural Recovery Fund	-	133,200	(71,690)	-	61,510
Risk reserve	-	-	-	100,000	100,000
	<u>-</u>	<u>133,200</u>	<u>(71,690)</u>	<u>100,000</u>	<u>161,510</u>

Arts Council England Cultural Recovery Grant - Funding was provided during the year to assist with the survival of the organisation during the Covid-19 crisis, it was originally provided to cover support for a 6 month period to 31 March 2021, however, this was extended to 30 June 2021.

Risk reserve - It is the policy of the charity to maintain sufficient unrestricted reserves, which are free reserves of the charity to close down the organisation. In accordance with Charity Commission guidelines these represent three month's running costs of the charity. Based on the 2021/22 budget this amounts £100,000 and therefore this amount has been transferred from unrestricted to designated reserves.

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:							
Tangible assets	12,603	-	-	12,603	6,310	-	6,310
Current (liabilities)/assets	14,052	161,510	28,245	203,807	(23,874)	21,365	(2,509)
	<u>26,655</u>	<u>161,510</u>	<u>28,245</u>	<u>216,410</u>	<u>(17,564)</u>	<u>21,365</u>	<u>3,801</u>

2FACED DANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

19 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	33,600	33,600
Between two and five years	92,400	126,000
	<u>126,000</u>	<u>159,600</u>

20 Related party transactions

During the year the company received a grant of £9,000 (2020: £19,000) from The Elmley Foundation, a charity in which Ms D Johnson is also a trustee. At the year end no balances were outstanding.