



Smailes Goldie Group
CREATING ADVANTAGE

Middle Child Theatre Limited

Unaudited Financial Statements

31st March 2022



SD-0207663-1-6

Middle Child Theatre Limited

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Middle Child Theatre Limited

Report of the Trustees

for the year ended 31st March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of 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

Objectives and aims

Middle Child's purpose as set out in the company's articles of association is -

'To advance the arts for the public benefit by the promotion in particular, but not exclusively, of the art of drama.'

The activities and objectives that the charity set annually centre on this purpose and are guided by its Vision, Mission, Strategy, Values and Middle Child Artistic Style.

Vision

A vision for a fair and equitable world where anyone's story can be told and heard.

Mission

To tell untold stories which capture the electrifying moment when the beat drops, mixing original live music with bold new writing. Middle Child events are live and loud, making sense of the modern world. The company is committed to breaking down barriers and ensuring that theatre is affordable and accessible to all. Middle Child will set fire to your imagination of what a night at the theatre can be.

Strategy

Audiences: Middle Child create theatre that brings people together for a good night out with big ideas.

Artists: Middle Child invest time, money and resource in the new and under-represented voices to contribute to the creation of a more equitable industry.

Values

- A Hull-based company, which is vital to the work, stories and entire ethos
- Put Hull artists at the heart of the creative process, growth and successes
- Prioritise the well-being of the people the company works with and challenge damaging behaviours and habits within the industry
- Endeavour for the work to be affordable and accessible to all
- Lead with authenticity, transparency and openness at every level of the organisation
- Committed to creating greater equity in who makes and enjoys theatre
- Determined to increase the diversity of artists and audiences in Hull and beyond

Middle Child Artistic Style

- Blurs the lines between gigs, stand up, theatre and a night out with a focus on breaking down barriers;
- Tells stories that are new, Northern and reflect the diversity of the United Kingdom;
- Prioritises 'liveness', remaining responsive and reactive to each audience;
- Believe theatre works best as a social event, with a reason to come early or stay late.

Middle Child Theatre Limited

Report of the Trustees

for the year ended 31st March 2022

OBJECTIVES AND ACTIVITIES

Significant activities in the year

Covid -19 Response

Middle Child's fourth year as a National Portfolio Organisation marked a good recovery from the Covid-19 pandemic but required a continued flexible and responsive approach to managing the company and artistic programming. The company continued to prove dynamism and resilience, responding to the changing nature of the situation in new and innovative ways, for example presenting work outside during the summer months to mitigate risk of spread of infection. The company also continued its commitments to supporting and developing artists, audiences, and the workforce through its artist development programme, and root and branch review of company policies. As government restrictions on movement and socialising were lifted, Middle Child returned to live performance producing work locally for audiences in Hull taking a pragmatic approach to ensure activity was deliverable.

Access and Audiences

Access

Middle Child is committed to access and approaches access in two ways:

- 1 Change how people access live performance:
 - Pay what you decide and solidarity ticket offers are made available locally so that people who wouldn't be able to attend live theatre can attend productions.
 - Working with local community groups to run a walking bus - a social and supported way for those without transport to attend productions.
 - Offering regular British Sign Language and audio described performances.
 - Providing free ticket offers to targeted community groups.
 - Regularly asking the community what they want to see, inviting audiences to vote for each year's panto title and giving local people the chance to co-design the programme.
 - Hosting Imagine the Future focus groups, inviting freelancers and audiences to co-design the future of the industry.
- 2 Change how people access development and employment opportunities, to widen who can pursue a career in the arts:
 - Offering flexible working to support work-life balance and staff wellbeing.
 - A Parents in the Performing Arts (PIPA) Charter Partner, implementing family-friendly working policies.
 - Ensuring development opportunities are free or paid to remove financial barriers to access.
 - Completing essential training with core team and local freelancers, whom the company's work depends on, including anti-racism, unconscious bias and mental health first aid.
 - Ensuring the new building is fully accessible with lift and accessible toilet and undertaking an access review to identify areas for improvement.

Audiences

Middle Child exists to change who makes and enjoys theatre. This is reflected in the stories told and the company's core audience: people who don't think theatre is for them, because of a mix of real or perceived exclusions including the stories that are told, who tells them and where, affordability and accessibility. Middle Child targets work at younger (18-34) working class audiences, including families for our Christmas work, and works hard to remove barriers faced by diverse and disabled communities.

Artistic Programming

The Big Gig

High-quality gig theatre that starts life in Hull before embarking on national tours and transfers. These shows are the company's flagship productions, ambitious in both form and content, with a focus on growing local audiences and developing a national profile.

We Use to be Closer Than This

Middle Child Theatre Limited

Report of the Trustees for the year ended 31st March 2022

OBJECTIVES AND ACTIVITIES

In 2021/22 The Big Gig production was called We Use to be Closer Than This. Middle Child created a bespoke new piece of work for audiences responding to the ongoing pandemic by delivering an outdoor hyper local production to minimise risk of infection and cancellation. It was presented as part of Absolutely Cultured's Creative Hull event over a weekend in July, performing to sold out audiences and receiving standing ovations, despite the start of the ping-demic that resulted in audience members having to self-isolate due to potential close contact with someone with Covid. 365 people attended the show.

"Thank you [Middle Child] 'We Used to be Closer Than This' was pure magic. Just the slice of uplifting joy we all need right now" Audience Feedback

"It's an example of that thing that Middle Child Theatre are renowned for, feel good yet timely socially aware performance. The sight of tears of joy and maybe even relief on the cheeks of some of the audience, show just how important it was to gather in this way and share an experience together in the real world" Michelle Dee, a written response to Creative Hull

There Should be Unicorns

The rest of the financial year was used to prepare for Middle Child's forthcoming Big Gig There Should Be Unicorns by Luke Barnes, to be presented at outdoor festivals across the country in 2022/23.

That Time Again

Events that serve as both a first point-of-contact for people new to the company, and a way for people to engage with Middle Child's work year-on-year.

Rapunz'ull: Annual Rock and Roll Pantomime

The flagship production in this strand of work is Middle Child's annual, alternative Christmas pantomime which has built a strong audience base in Hull, over the last 12 years, many of whom subsequently attend the Big Gig programme.

In 2021/22, Middle Child's rock and roll panto was back with a bang at Social on Humber Street. 2,469 people saw the show. Of survey respondents (72 respondents on Audience Survey) 25% were first-time visitors, and 36% and 35% of respondents had never visited Hull Truck Theatre or Hull New Theatre respectively.

"Was brilliant and all the kids voted for next year. This was our first year seeing it after a recommendation from a friend, but definitely won't be the last". Facebook feedback.

Middle Child offered a solidarity tickets fund so audiences could support someone else unable to afford a ticket to see the show. This generated £1,005 of gratefully received support, providing approximately 76 community tickets.

The presentation of panto in 2021/22 was a particularly challenging period for the company. The production was green lit much later than usual to ensure viability before committing to contracts and production expenditure. It was also at the same time as rising cases of the Omicron variant of Covid-19. This had an impact on sales following the week the news of the new variant broke, with sales dipping below usual trends. However, all performances went ahead as planned.

Plug and Play

Middle Child's smaller-scale productions designed to develop people, ideas and audiences. This strand of work is flexible and fleet-of-foot taking various forms.

Out Loud

Middle Child and fellow Hull based producing company Silent Uproar presented a showcase for early career writers to see early drafts of their plays performed for the first time in front of a live audience. These short performances featured professional actors but no set, props or costume. 2021/22 saw Out Loud return to a live event model following a digital partnership with Freedom Festival in 2020/21 in response to the pandemic.

Middle Child Theatre Limited

Report of the Trustees

for the year ended 31st March 2022

OBJECTIVES AND ACTIVITIES

2021/22's Out Loud production was Casino by Lerner Wallace-Taylor

165 people attended these scratch performances at Humber Street Gallery with 73% of attendees not working in the arts, well above the company's target of 50%.

"I always enjoy seeing new work being made and having a role in shaping it. Also, a huge Middle Child fan!" Audience feedback.

Reverb Artist Development

Middle Child's ambitious artist development programme, offering opportunity and skill development to emerging and established artists, continued. The focus of this strand of work is to make sure the offer available to people in Hull rivals anywhere else in the country, preventing a talent drain of creative people leaving the city.

In 2021/22 activity included:

- Concrete Retreat - A writer residency programme proving the opportunity for writers to workshop an ambitious idea.
- Next Up - An open call for scripts to get to know new writers, receiving 440 applications and employing local artists to work as script writers was launched. This resulted in the Next Up Associate Writers Programme identifying nine new writers and providing them with a two year paid creative attachment to the company. 2021/22 saw Middle Child work with Next Up writers to produce digital play readings of their work to aid development and build new skills. The next stage of this association sees each writer pitch a new idea to Middle Child for a future commission.
- Middle Child partnered with the Regional Theatre Young Director Scheme (RTYDS) to offer an opportunity to a local director Belle Streeton, supporting her to gain further professional development and build her skills. Belle was also given a Go See Fund enabling her to see theatre across the country in order to increase her knowledge of the industry and the work being made nationally
- Middle Child also continued to produce podcasts as part of 'Make Theatre' series launched during the pandemic. Episodes included conversations with RTYDS placement Belle Streeton and award-winning writer of The Canary and the Crow, Daniel Ward.
- Middle Child led a number of residencies with national partners, including Mind the Gap in Bradford and Rose Bruford in Sidcup. These residencies focused on sharing skills around gig theatre and theatre-making
- In partnership with Hull City Council, Middle Child delivered a new programme called Raise Your Voice pairing professional playwrights with Hull schools to support young people in writing their first ever plays.
- The Middle Child Introduction to Playwrighting Group led by Tom Wells also returned in 2021/22 after an enforced absence during the pandemic. Seven first-time playwrights participated in a series of workshops led by Tom, and then saw their plays performed for the first time by professional actors in front of an audience.
- The company continued to develop future projects through the extensive rehearsal and development programme. Upcoming plays by Ellen Brammar and Maureen Lennon benefitted from rehearsal and development time with actors.
- Alongside the production, We Used to be Closer Than This, the company offered a series of songwriting workshops which took place outside to mitigate the risks of infection of Covid-19. These sessions were well attended and enabled local people to write songs for the first time.

Recover, Restart, Reimagine

Middle Child Theatre Limited

Report of the Trustees

for the year ended 31st March 2022

OBJECTIVES AND ACTIVITIES

In 2021/22 Middle Child devised a unique, intensive two-week artist development programme to support freelancers return from the pandemic, building skills and confidence whilst prioritising health and wellbeing. This was a paid opportunity, and 12 participants took part with two of the participants sharing a place to balance it with their caring commitments. The programme consisted of various skill and character-building workshops, including media training, play reading, wellbeing and access training. The feedback from participants was excellent with many commenting how the programme supported them to regain confidence following the impact of the pandemic both personally and professionally. This programme also saw us work with a Freelance Selection Panel, a paid opportunity to identify successful applicants. This move was in line with a concerted effort to continue to democratise power within Middle Child and include freelancers in decision making, a direct outcome of the Freelancers Make Theatre Work movement.

"We need time to heal. We need time to recover. We need opportunities and programmes like Recover, Restart, Reimagine, that put our health and well-being front and centre, that seek to find another way of doing things, or at least talk about it and imagine it" Joe Hakim freelance writer and radio producer from Hull.

"Recover, Restart, Reimagine did so much more, and gave so much more, it has changed my life for the better" Participant feedback.

10th Birthday Party

Middle Child celebrated its tenth birthday in style, throwing a gig-party at Social on Humber Street, Hull, with performances from previous productions and speeches from the Chair of the board and the Artistic Director. It was an opportunity to bring people together for a good night out and to create stewardship, for potential funders, partners and individuals. As well as the core team, board of trustees, freelancers and partners, 84 audience members attended the event.

Digital streaming

Middle Child offered its previous production of The Canary and the Crow by Daniel Ward online with 27 people buying a ticket to watch the show from the comfort of their own home. This option was offered in place of a national tour that was cancelled due to the Covid-19 Pandemic and saw the company move into paid-for-streaming for the first time following the success of our free streams of previous shows in 2020/21. This stream was offered at a time of digital fatigue and when live productions were beginning to reopen, leading to lower than anticipated audience numbers. Middle Child learnt many lessons during this foray into digital streaming and continue to interrogate how to build streaming audiences in future.

New Premises

Following the loss of the company's subsidised space during the early stages of the pandemic, Middle Child secured its future by moving into Bond 31 on High Street, Hull. This creative hub enables the company to nurture talent and creativity, comprising company office, rehearsal space, a unique writer's room that can be booked by any Hull resident for free and a one-of-a-kind Theatre Library, with over 2000 plays that can be borrowed free of charge. The company's values provide the core ethos of the space with a commitment to sharing what they have, offering hot desking, rehearsal space and the writer's room free of charge.

Upon moving into Bond 31 Middle Child completely redecorated, working with a local ethical design company to repurpose old high street furniture. This redesign included an access audit from Hull City Council, to identify how to increase accessibility for users. Time and resource was used to ensure the space was fit for purpose as an inclusive public space, including purchasing a defibrillator, baby changing station and First Aid stations. Covid-19 precautions were put in place, such as sanitisation stations and perspex screens. The company also worked with Hull Libraries to better understand how to make an accessible and inclusive library space.

The new space coincided with a period of key training for the Middle Child core team and associated freelancers. Training completed in this period included First Aid, Mental Health First Aid, Fire Marshall, and Inclusion training.

Middle Child Theatre Limited

Report of the Trustees for the year ended 31st March 2022

OBJECTIVES AND ACTIVITIES

"The Middle Child play library became a really important place for me where I could absorb myself in theatre at a time in my life where I was facing a lot of disbelief in myself. One of the biggest blessings to me and other people from working class backgrounds is that both their workshops and the library were offered at no cost, which is incredible as when getting a start in theatre it can often feel like an exclusive club reserved only for the wealthy." Fiona Hope, a library member and Middle Child young member of the board.

Public benefit

In setting objectives and planning activities the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

Volunteers

Middle Child would like to thank the volunteers who support the work of the Charity; particularly the HEY volunteers and our founding Middle Child Company Members.

Middle Child Theatre Limited

Report of the Trustees

for the year ended 31st March 2022

FINANCIAL REVIEW

Financial performance and position

The Covid-19 pandemic continued to have an impact on the company's finances. The funding gap was met with funds from Arts Council England (ACE) and Department Culture, Media, and Sport's (DCMS) Cultural Recovery Fund (CRF), and other Covid support funds from Hull City Council and the Coronavirus Job Retention Scheme. The year ended on a £27,883 surplus.

The charity shows a surplus £27,883 in these accounts at 31 March 2022. Income received from funding bodies, most notably Department of Culture, Media and Sport and Arts Council England's Cultural Recovery Fund of £45,399 were carried forward due to delayed activity following the third UK lockdown but was spent within the financial year. Other amounts, including funding for productions and artist development work, were also held at 31st March 2021, and subsequently spent in year 2021/22, when such activity was permitted again. As anticipated, Middle Child saw a return to its more usual surplus/deficit figures in this financial year.

The charity's income for the year ended 31 March 2022 was £396,375 (2021 £399,492). Total expenditure amounted to £368,492 (2021 £309,483) resulting in a surplus of £27,883 (2020 surplus £90,009). The charity had unrestricted reserves of £191,290 (2021 £163,407), comprising general funds of £60,332 (2021 £76,008) and three designated funds totalling £130,958 (2021 £59,339). Taking into account the nature of the charity's income streams, the trustees are of the view that reserves at these levels are sufficient, though as the company grows it will continue to work towards a reserve equal to three months wind up costs.

The company mitigates financial risk with governance and oversight from an experienced board of directors including two financial controllers one of whom is a qualified accountant. The trustees have statutory responsibility for decision making and are provided with quarterly cashflows, management accounts, reserves funds and risk analysis.

In 2021/22 ticket sales returned although not to pre-pandemic levels, with only two live productions taking place for reduced periods therefore fewer tickets available. A decrease in ticket income through reduced availability due to Covid-19 pandemic was offset by an increased fundraised income and support from the DCMS and ACE CRF Fund. Middle Child secured a further £10,000 from Audrey Mosey 'I Am Fund' to support freelance artist development programme recover, restart, reimagine as well as £5,000 from Hull City Council for Raise Your Voice, working with young people in schools to write their first plays. The company was also supported by the Middle Child Mates Pay What You Can Members Scheme, enabling anyone, whatever their income, to support Middle Child on a regular basis, valuing all contributions equally with a no tiers, just perks approach. Providing gig theatre workshops continued to be an income stream.

Designated funds

The Covid-19 pandemic led to a full root and branch review of company policies to ensure sustainability and resilience as well as prioritising the company's values. This included the way funds were being held by the company with the following created:

General fund / Unrestricted / Free Reserves - £60,332

Designated Projects £74,958 - to enable meaningful investment in new productions to achieve artistic excellence on a case-by-case basis

Designated Core £46,000 - Reserves to cover core operating costs

Designated Employee Fund £10,000 - prioritising people and ensuring the company can be responsive to life events by providing an enhanced employee benefits package for when they occur

Movement created in the accounts through setting up these funds sees a reduction in free reserves compared to previous years. However, this process provides assurance that the company can respond to unforeseen events in future and that funds are designated to specific areas approved by the trustees.

Middle Child Theatre Limited

Report of the Trustees

for the year ended 31st March 2022

FINANCIAL REVIEW

Reserves policy

When becoming a National Portfolio Organisation in 2018, a key objective with the Arts Council was to build modest reserves which the company previously had not been able to secure. In line with the operational guidance CC19 (Charities & Reserves) issued by the Charity Commission, these reserves are intended to create financial stability and resilience for the organisation. Middle Child's reserves policy is to create a general reserve fund which can provide security for the organisation and be grown year on year to protect against unforeseen circumstances covering three months operating costs.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was incorporated as a company limited by guarantee on 17 December 2015; it is registered under the Companies Act 2006 and is governed by its Articles of Association.

Charitable status was granted by the Charity Commission on 25 March 2020.

Recruitment and appointment of new trustees

As set out in the Articles of Association, the Chair of the Board is elected by the trustees and presides as Chair at General Meetings of the Charity. There is a maximum of 10 trustees elected to the Board at any time. Any changes to the number of trustees on the board will be approved by the Board of trustees in a General Meeting.

Representatives of Arts Council England receive copies of Board papers and are invited to attend one meeting annually but do not serve as trustees.

In 2021/22 there was a board recruitment drive and Middle Child welcomed five new trustees to the Board, bringing skills in finance, engagement, arts consultancy and marketing to the board. In line with its values, Middle Child continued to prioritise the involvement of young people on its board, including two 18 - 25 year old board members.

New trustees are recruited in an open process by application and interviewed by the Chair of the Board and the Joint Chief Executives. Successful candidates are approached by the Chair and briefed prior to attending their first board meeting where they are proposed to the full board. Useful information such as the Charity's Memorandum and Articles of Association, management accounts, the business plan, and minutes of recent meetings are sent in advance to the new trustee.

Middle Child Theatre Limited

Report of the Trustees

for the year ended 31st March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The management of the charity is delegated to the senior management team comprising Artistic Director and Executive Director who are also Joint Chief Executives. For Q2, Q3 and Q4 role of Chief Executive was solely covered by the Artistic Director whilst the Executive Director was on maternity leave. The positions were occupied during the year as follows:

Artistic Director & Joint Chief Executive: Paul Smith

Executive Director & Joint Chief Executive: Lindsey Alvis (Q1, maternity leave commenced July 2021)

Executive Director (Maternity Cover): Harriet Callery (August 2021 - April 2022)

The business of the Charity is supervised by the Board of Trustees who meet at least four times each year, or more frequently as required. The Charity's Business Plan and annual budgets are subject to Board approval. The Board are actively involved in recruitment of senior management and support recruitment processes for the two roles.

In 2021/22 the senior management team was supported by two full-time permanent members of staff and a freelance part-time Finance Manager and Literary Manager. The nine company members who founded Middle Child are invited to the Annual General Meeting and are regularly informed of the business of the charity. Further freelancers and production staff were hired on a project-by-project basis.

Post Balance Sheet Events

Significant activities in the year

The ongoing effects of the Covid-19 pandemic means that some funds have been deferred for a second year with projects being realised in 2022/23, most notably new commission of an outdoor piece of work for festivals called There Should be Unicorns.

Further to this, the UK has entered a financial recession and the impact on Middle Child going forward will likely be significant. Whilst core costs remain predictable with a stable workforce, increases in rental expenditure for the new premises and increasing costs more widely, alongside squeezed touring income from venues and reduced ticket paying audiences due to the cost-of-living crisis will have an impact. Standstill National Portfolio Funding has been secured for the next three years which is a strong vote of confidence from Arts Council England in the company and its artistic programming. However, with the rising cost of living this represents an approximately 10% cut in real terms. Middle Child must grow income streams, and training and expertise to grow relationships with Trusts and Foundations and Corporate Sponsors has been proactively engaged. The Board and Executive have made a firm commitment to fundraised income, committing to training and development of the Executive Director and to creating a culture of fundraising at all levels of the organisation. The focus is to secure new relationships built on shared values and synergy to generate investment in the company's work and deliver positive outcomes for beneficiaries of the work. Middle Child subscribe to the Fundraising Regulator to ensure it meets its statutory requirements in this area.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09921306 (England and Wales)

Registered Charity number

1188756

Registered office

Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Middle Child Theatre Limited

Report of the Trustees for the year ended 31st March 2022

Trustees

M Badorek-Miszcuk (resigned 18.7.2021)
S L Darley (resigned 10.6.2021)
J Fallowfield
M Green
A Powell (resigned 10.6.2021)
D J Watson (resigned 18.7.2021)
F Wright
J R Wilkinson
E M Tucker
R K Knox (appointed 18.1.2022)
A J Barker (appointed 18.1.2022)
J Heaton (appointed 18.1.2022)
M Moses (appointed 18.1.2022)
J Mitra (appointed 18.1.2022)

Company Secretary

L R Alvis

Independent Examiner

Smailes Goldie
Chartered Accountants
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Approved by order of the board of trustees on 21st December 2022 and signed on its behalf by:

M Green Trustee

Independent Examiner's Report to the Trustees of Middle Child Theatre Limited

Independent examiner's report to the trustees of Middle Child Theatre Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Chartered Accountants 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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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



S. T. Bramall, BSc., F.C.A.,
Chartered Accountants
Smailes Goldie
Chartered Accountants
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

21st December 2022

Middle Child Theatre Limited

Statement of Financial Activities for the year ended 31st March 2022

	Notes	Unrestricted fund £	Designated £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	4,760	-	4,760	3,215
Charitable activities					
Grant income		271,146	-	271,146	367,522
Other trading activities	3	120,469	-	120,469	28,755
Total		<u>396,375</u>	<u>-</u>	<u>396,375</u>	<u>399,492</u>
EXPENDITURE ON					
Raising funds		10,240	-	10,240	4,004
Charitable activities					
Production costs		309,258	-	309,258	283,196
Support costs		48,994	-	48,994	22,283
Total		<u>368,492</u>	<u>-</u>	<u>368,492</u>	<u>309,483</u>
NET INCOME		27,883	-	27,883	90,009
Transfers between funds	14	(43,559)	43,559	-	-
Net movement in funds		(15,676)	43,559	27,883	90,009
RECONCILIATION OF FUNDS					
Total funds brought forward		76,008	87,399	163,407	73,398
TOTAL FUNDS CARRIED FORWARD		<u>60,332</u>	<u>130,958</u>	<u>191,290</u>	<u>163,407</u>

The notes form part of these financial statements

Middle Child Theatre Limited

Balance Sheet

31st March 2022

	Notes	2022 Total funds £	2021 Total funds £
FIXED ASSETS			
Tangible assets	9	12,557	764
CURRENT ASSETS			
Debtors	10	66,765	48,950
Cash at bank		<u>171,286</u>	<u>141,179</u>
		238,051	190,129
CREDITORS			
Amounts falling due within one year	11	(59,318)	(27,486)
NET CURRENT ASSETS		<u>178,733</u>	<u>162,643</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>191,290</u>	<u>163,407</u>
NET ASSETS		<u>191,290</u>	<u>163,407</u>
FUNDS	14		
Unrestricted funds		<u>191,290</u>	<u>163,407</u>
TOTAL FUNDS		<u>191,290</u>	<u>163,407</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

The notes form part of these financial statements

Full

Middle Child Theatre Limited

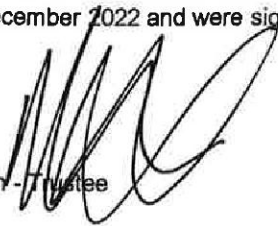
Balance Sheet - continued

31st March 2022

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21st December 2022 and were signed on its behalf by:

M Green - Trustee



The notes form part of these financial statements

Middle Child Theatre Limited

Notes to the Financial Statements

for the year ended 31st March 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred. If the contract cannot be estimated reliably.

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 attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 33% on cost

Taxation

The charity is exempt from paying corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Middle Child Theatre Limited

Notes to the Financial Statements - continued for the year ended 31st March 2022

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	2022 £	2021 £
Donations	<u>4,760</u>	<u>3,215</u>

3. OTHER TRADING ACTIVITIES

	2022 £	2021 £
Ticket sales	31,608	-
Ticket cancellation fees	-	16,818
Sponsorship	1,500	-
Programmes and merchandise	239	-
Other activities	40,000	-
Workshops	9,658	6,561
Office lettings	-	100
Theatre tax credit	<u>37,464</u>	<u>5,276</u>
	<u>120,469</u>	<u>28,755</u>

The ticket cancellation fees in 2021 totalling £16,818 was a result of Covid 19 enforced cancellations.

4. GRANTS RECEIVED

	2022 £	2021 £
Arts Council - NPO award	152,760	152,760
Arts Council - Cultural recovery fund	76,065	98,003
Absolutely Cultured	-	40,000
Other production related grants	<u>35,619</u>	<u>27,208</u>
	264,444	317,971
Covid-19 support - CJRS	1,702	41,551
Covid-19 support - Hull City Council	<u>5,000</u>	<u>8,000</u>
	<u>271,146</u>	<u>367,522</u>

Middle Child Theatre Limited

Notes to the Financial Statements - continued for the year ended 31st March 2022

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	4,675	2,055
Independent examiner's remuneration	<u>2,880</u>	<u>2,880</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the year ended 31st March 2021.

Trustees' expenses

There were trustee' expenses paid of £968 for the year ended 31st March 2022 (2021 : £nil).

7. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2022	2021
	<u>5</u>	<u>5</u>
Staff numbers		

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

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

All income received and expenditure incurred in the comparative year related to the general fund within unrestricted reserves.

9. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
At 1st April 2021	6,277
Additions	<u>16,468</u>
At 31st March 2022	<u>22,745</u>
DEPRECIATION	
At 1st April 2021	5,513
Charge for year	<u>4,675</u>
At 31st March 2022	<u>10,188</u>
NET BOOK VALUE	
At 31st March 2022	<u>12,557</u>
At 31st March 2021	<u>764</u>

Middle Child Theatre Limited

Notes to the Financial Statements - continued for the year ended 31st March 2022

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	1,019	13,142
Theatre tax relief debtor	58,963	35,808
Prepayments	6,783	-
	<u>66,765</u>	<u>48,950</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	-	6,486
Other creditors	41,998	-
Accruals and deferred income	17,320	21,000
	<u>59,318</u>	<u>27,486</u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	19,500	-
Between one and five years	3,300	-
	<u>22,800</u>	<u>-</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Designated	2022 Total funds	2021 Total funds
	£	£	£	£
Fixed assets	12,557	-	12,557	764
Current assets	107,093	130,958	238,051	190,129
Current liabilities	(59,318)	-	(59,318)	(27,486)
	<u>60,332</u>	<u>130,958</u>	<u>191,290</u>	<u>163,407</u>

Middle Child Theatre Limited

Notes to the Financial Statements - continued for the year ended 31st March 2022

14. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	76,008	27,883	(43,559)	60,332
Designated - Project	30,000	-	44,958	74,958
Designated - Contingency	12,000	-	(12,000)	-
Designated - CRF	45,399	-	(45,399)	-
Designated - Core	-	-	46,000	46,000
Designated - Employment fund	-	-	10,000	10,000
	<u>163,407</u>	<u>27,883</u>	<u>-</u>	<u>191,290</u>
TOTAL FUNDS	<u>163,407</u>	<u>27,883</u>	<u>-</u>	<u>191,290</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	396,375	(368,492)	27,883
	<u>396,375</u>	<u>(368,492)</u>	<u>27,883</u>
TOTAL FUNDS	<u>396,375</u>	<u>(368,492)</u>	<u>27,883</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	45,398	90,009	(59,399)	76,008
Designated - Project	28,000	-	2,000	30,000
Designated - Contingency	-	-	12,000	12,000
Designated - CRF	-	-	45,399	45,399
	<u>73,398</u>	<u>90,009</u>	<u>-</u>	<u>163,407</u>
TOTAL FUNDS	<u>73,398</u>	<u>90,009</u>	<u>-</u>	<u>163,407</u>

Middle Child Theatre Limited

Notes to the Financial Statements - continued for the year ended 31st March 2022

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	399,492	(309,483)	90,009
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>399,492</u>	<u>(309,483)</u>	<u>90,009</u>

Transfers between funds

£74,958 of unrestricted funds has been designated to enable meaningful investment in new productions to achieve artistic excellence on a case-by-case basis.

£46,000 has been designated to covering core operating costs of the charity.

£10,000 has been designated to employee funds which is prioritising people and ensuring the charity can be responsive to providing enhanced employee benefits as they occur.

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2022.

Middle Child Theatre Limited

Detailed Statement of Financial Activities for the year ended 31st March 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	4,760	3,215
Other trading activities		
Performance fees	31,608	16,818
Theatre tax credit	37,464	5,276
Other income	11,397	6,661
Absolutely Cultured	<u>40,000</u>	<u>-</u>
	120,469	28,755
Charitable activities		
Grants	269,444	325,971
Government grants (furlough)	<u>1,702</u>	<u>41,551</u>
	<u>271,146</u>	<u>367,522</u>
Total incoming resources	396,375	399,492
EXPENDITURE		
Other trading activities		
Marketing and advertising	10,240	4,004
Charitable activities		
Wages	124,752	121,375
Social security	7,352	7,332
Pensions	3,183	2,920
Production costs	149,435	125,161
Research and development costs	<u>6,015</u>	<u>26,408</u>
	290,737	283,196
Support costs		
Other		
Rent	24,287	3,762
Travel and subsistence	542	194
Staff development	14,521	1,604
Health and safety	2,182	138
Sundries	1,563	1,191
Plant and machinery	<u>4,675</u>	<u>2,055</u>
	47,770	8,944

This page does not form part of the statutory financial statements

Middle Child Theatre Limited

Detailed Statement of Financial Activities for the year ended 31st March 2022

	2022 £	2021 £
Other		
Governance costs		
Wages	7,415	3,300
Insurance	2,114	2,092
Subscriptions	5,050	3,134
Telephone	1,163	936
Postage and stationery	123	39
Accountancy	<u>3,880</u>	<u>3,838</u>
	<u>19,745</u>	<u>13,339</u>
 Total resources expended	 <u>368,492</u>	 <u>309,483</u>
 Net income	 <u>27,883</u>	 <u>90,009</u>

