

Little Angel Theatre

Annual Report and Financial Statements

31 March 2022

Charity Registration Number 232488

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Reference and administrative details of the charity, its trustees and advisers

Trustees	C Owen (Chair) L Cotton E Lewis L La Rocque C Lowry L Stanfield S Wright S Zhu
Secretary	P Swindall
Principal office	14 Dagmar Passage London N1 2DN
Charity registration number	232488
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	The Co-operative Bank PO Box 250 Skelmersdale WN8 6WT Scottish Widows 67 Morrison Street Edinburgh EH3 8YJ CAF Bank 25 Kings Hill West Malling Kent ME19 4JQ
Solicitors	Bolt Burdon Solicitors Providence House Providence Place Islington N1 0NT

The Trustees, are pleased to present their annual report and accounts for the Little Angel Theatre's (the Theatre) activities for the year ended 31 March 2022.

The report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 24 to 28 of the attached financial statements and comply with the charity's Constitution, the Charities Act 2011 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 United Kingdom and Republic of Ireland (FRS 102).

Chair's Report

Emerging from the pandemic, Little Angel Theatre (LAT) has gradually transitioned from only working digitally, to once again performing to live audiences, running projects in person with schools and community groups, as well as celebrating its 60th birthday. However, the last year has had its challenges, with COVID-19 continuing to impact our staff, performers and audiences, alongside a challenging fundraising climate.

Our artistic programme restarted with a live-digital show, *Where the Bugaboo Lives*. Subsequently, we welcomed live audiences and were one of the first theatres in the UK to do so. *The Smartest Giant in Town*, a co-production with Fierylight, sold out (to socially distanced capacity). The show will tour again in the autumn and includes our first West End run. We also honoured pre-COVID-19 programming commitments with *Nature Elly* and *The Storm Whale*, delivered exciting new work, including *There May Be a Castle* and *There's a Rang Tan in my Bedroom & Other Stories*, and celebrated some of our classic revivals. Several shows in our programme were nominated in this year's Offie Awards for Young People.

Alongside our work on stage, our digital programme – *Watch, Make and Share* – has grown and thrived, reaching a considerable number of people across the globe. The programme has included work created by LAT, as well as commissioned shorts by various other artists / companies.

Our schools work has continued in partnership with local schools, including after-school puppet clubs, show-related workshops, and free show tickets. Our community programme has involved exciting partnerships with local organisations and nearby residents. We found innovative ways to engage during lockdown, from delivering craft packs to bringing shows to peoples' front doors. A highlight of our work in 2021 was *The Wishing Tree*, written by Waterstones Children's Laureate 2022, Joseph Coelho, and co-created by local schools and the wider community. The children involved were rightly proud to see their own pandemic stories reflected on stage; it was an impactful way of bringing together our programming and community activity strands.

Chair's Report (continued)

LAT continued to make use of the government job retention scheme throughout the pandemic. We secured fundraising from several Covid emergency funding sources to sustain our adapted operations. We are incredibly grateful to the individuals and funding bodies who have supported us, and we continue to actively diversify our income streams and seek philanthropic support to stabilise the organisation and find our route out of this crisis. In spite of the difficulties of the current climate, we continue to adapt our output and corresponding business model, including: sustaining our fundraising income to subsidise digital/socially distanced performance models and our schools and community engagement programme; honouring living wage salaries throughout our staff and creative teams; reducing our environmental impact, whilst protecting and maintaining our cherished buildings; and committing to undertake the Inc Arts UK 1% challenge, allocating 1% of our budget to activity that adds ethnic and/or disability diversity to our work.

The team at LAT always impresses with its resilience and 'can-do' attitude. This has shone through in its commitment to supporting young people over the past year. The organisation has used puppetry to engage with audiences, schools, community groups and emerging artists to deliver a diverse and inspiring range of shows and participation opportunities; in doing so, it has showcased the impact and versatility of this wonderful artform.

Catherine Owen – Chairman of Trustees

The Theatre's objectives and its principal activities are to promote, maintain, improve and advance education, particularly by the production of educational plays, puppet shows, entertainments, tours and exhibitions. The Theatre also provides encouragement of the Arts, including the Arts of drama, mime, dance, puppetry, singing and music. Little Angel Theatre is a purpose-built puppet theatre with a dedicated double bridge and puppeteer's pit, and is also one of the country's oldest theatres presenting work for children.

We aim to fuel the imagination through the magic and wonder of puppetry. This is delivered through 4 key strands of work:

- ♦ **Artistic Programme** – presenting high quality innovative puppetry shows across both of our venues. This includes own productions, co-productions, visiting companies and can combine performance with participation, particularly at the Studios. Where possible to look to tour our current shows and our archive of shows both nationally and internationally. We are also continuing to develop a digital strand of output, including a reimagining of existing shows, spin-offs of existing shows, and educational content.
- ♦ **Creative Learning & Community Programme** - helping others to tell great stories using puppetry, recognising that puppetry is a powerful tool for learning. Helping people to express themselves creatively, develop confidence, improve communication and social skills, and develop their puppetry making and performance skills. We aspire to an “inch wide, mile deep” approach across 4 areas – schools partnerships, participation events, community outreach and professional training and development.
- ♦ **Stepping Stones Programme** – we are committed to developing people, from the children and young people that we work with to our staff team; and from teachers to artists. Indeed, for us, personal and professional development are key – regardless of age, education or career path. We believe that every stage in a person's life is transitional, and we want to provide the stepping stones from point A to B, regardless of the point of entry and exit; and help people to progress.
- ♦ **Enterprise Programme** – we recognise the need to develop an enterprising approach to our work to maximise earned income. We aim to diversify our income streams as well as contribute to core activity. This is undertaken through exploring alternative artistic models, upscaling current profitable activity, and testing new income generating ideas. Examples include facilitating corporate training, hiring spaces and puppets and maximising merchandising opportunities.

These activities are underpinned by prioritising and resourcing key operational activities such as understanding our audiences, investing in and developing our staff and other individuals that we work with, fundraising, investing in our buildings and infrastructure and embracing our heritage.

Public benefit

The Charity confirms that the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The Theatre relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the Trustees give careful consideration to the accessibility of the organisation for those on low incomes.

Public benefit (continued)

The Theatre is situated in the heart of the London Borough of Islington. Islington is a complex, culturally diverse, and socially and economically deprived inner-city borough. It has the 4th highest level of child poverty in London and a third of children live in an income-deprived household. We use puppetry to work with schools, families, local communities and people of all ages and backgrounds to encourage learning, increase confidence, creativity and imagination.

We run a Community Outreach Programme, where all activity is free, to deepen our engagement with disadvantaged members of the community, increasing the impact of all of our participation work and wider programme of activity. It comprises of projects with local community groups with people of all ages and backgrounds, utilising puppetry as a springboard to develop and encourage creativity, learning and community cohesion. Our ambition is to reach those who have never considered or had the opportunity to participate in creative pursuits and to ensure LAT serves the needs of its entire community in a creative and engaging way, using our expertise to improve people's lives. We adhere to the following principles:

- ◆ focusing on individual needs
- ◆ working with the community and for the community
- ◆ delivering bespoke, long-term projects, with continuity of support / appropriate content
- ◆ working with other voluntary sector partners to strengthen delivery / share expertise
- ◆ ensuring projects are fun, creative, imaginative and of the highest quality

Our Schools Partnership Programme works with eight schools, delivering a year-long programme of activity with some of our closest schools, which we continued to deliver digitally throughout the pandemic. We provide a wealth of opportunities for pupils and teachers, including access to shows, workshops and bespoke projects. Teachers also have access to training and support in bringing their curriculum to life via puppetry. It is an opportunity for local schools to engage with us on a much deeper level over a prolonged period of time – and at a hugely subsidised cost.

In addition, Puppets for All is our flagship programme for offering free tickets and workshop places to those who most need them. This is complemented by our policy to keep ticket prices as low as possible and the vast majority of our digital content has been delivered free of charge, extending our accessibility and reach.

While we keep all our prices as affordable as possible, we also use funds from our income-generating activities, including holiday clubs and shows, to support our community work.

Review of activities 2021/22

On Our Stages

This year, our 60th anniversary, we were passionate about creating a programme that would be able to reach and engage with both our longstanding supporters and new audiences. For our first show in the season, we created an innovative zoom production ***Where the Bugaboo Lives*** (Offies nominated) – a choose your own adventure show for 5 to 11-year olds. This merged both the live and digital experience – the puppeteers performed on LAT's stage, but the audience watched via their homes in real time.

We then marked the return to live theatre with brand new smash hit show, ***The Smartest Giant in Town***, based on the book by Julia Donaldson and Axel Scheffler - a co-production with FieryLight. The show completed a 10-week run in house, before going on tour across the country. We continued to program new, exciting work, including ***Nature Elly*** (Offies nominated) – in association with Barmpt Theatre; ***There's a Rang Tan in my Bedroom & Other Stories*** – an environmental production supported by Mother, Greenpeace and Meat Free Monday; ***The Wishing Tree***, inspired by the hopes and wishes of local children, written by Joseph Coelho and ***There May be a Castle*** – a brave, bold piece of theatre based on the book by Piers Torday.

We were also able to re-programme ***The Storm Whale*** – which had originally been planned for Christmas 2020, and bring back our much-loved classics ***The Bed*** - a show based on the poem by Sylvia Plath for babies and toddlers; ***Handa's Surprise***, based on the bestselling book by Eileen Browne and one of our longest running productions; and ***The Singing Mermaid***, another much loved classic. It has been a huge achievement to be able to create so much new work alongside high-quality revivals.

On Tour

The pandemic has had a significant impact on the theatre touring sector, as a result this has been one of the last parts of our output to get back up to usual operational levels. In spite of this, our productions were seen by over 37,000 people in the last year at schools and other theatre spaces around the country, from Milford Haven to Perth.

Initially we experimented with digital touring, visiting 44 schools across the country, from Glasgow to Ross-on-Wye, entering classrooms via the magic of Zoom; and have engaged with audiences from CAST Doncaster, The Albany and Nottingham Lakeside Arts as part of our virtual tour of ***Where the Bugaboo Lives***.

We then took our production of ***Reach for the Stars*** to Manchester Literary Festival, visiting 16 schools in the area. Following this ***Pixie and the Pudding*** did a Christmas transfer to Sheffield (playing to nearly 2,000 people, in spite of the run being cut short due to Covid).

The Smartest Giant in Town went on tour with our co-producers FireyLight for 12 weeks in Spring 2022, with audiences of c 30,000 over 12 weeks), and ***The Singing Mermaid*** performed a short run at the Polka Theatre in South London prior to coming in house in February 2022.

Review of activities 2021/22 (continued)

On Screen

We continued to build and develop our **Watch, Make, Share** programme, releasing regular and varied content for families to enjoy at home. In total, we released 61 videos (many with accompanying craft activities) which were viewed over 360,000 times, equating to over 11,000 watch hours in over 60 countries around the world. These included 7 community digital projects and 1 YouTube livestream pilot. Through this activity we engaged 127 freelancers, across a programme of commissioned digital shorts and a digital series.

The programme included our **People Behind the Puppets** series where we interviewed creatives in the industry about their experiences and why they work with puppets, which was released over several months as a build up to our 60th anniversary celebrations.

In our community work, we collaborated with charities such as Chance UK, Solace Women's Aid and Age UK to take part in puppet workshops and a digital project. Additionally, we worked with organisations like Head Held High to empower young people to explore who they are and this resulted in a recorded performance at the theatre.

We continued to work with Smoking Apples on our Spectrum Youth Theatre (a puppet youth theatre for young people with Asperger's or autism) to explore storytelling and filmmaking which then resulted in live screenings of their work. As part of their Holiday Activity Fund, Islington Council also sent children eligible for free school meals details of our digital programme to enjoy whilst at home during the holidays.

Hospital / Hospice Touring

In January we filmed our existing children's hospital bedside show **If Not Here... Where?** Due to COVID-19 it became apparent that we wouldn't be able to tour the show in person, so we created a digital version to tour to hospitals/hospices in a COVID-secure way to continue to reach isolated children. The show was devised in partnership with the young people's forum at GOSH to provide young people in long-term care with a high quality non-clinical theatre experience to combat feelings of isolation and loneliness and raise morale.

The experience was delivered to 15 care locations across London, including our partner hospital Great Ormond Street, and around the UK – to Liverpool, York and Edinburgh – in Summer 2021.

Community

All our community programmes continue to be offered for free. We run activities for all ages, including local residents who may face isolation or who want an opportunity to meet their neighbours and learn a new creative skill at the same time. Our programme of work for local residents is very much led by them, and themes for workshops or specific activities we deliver are often suggested by the participants themselves. Our aim is to make our work as accessible and inclusive as possible so that everyone in the local and wider community can engage with us and enjoy the benefits of arts engagement with friends and family. We offer free tickets to families across the borough who face barriers accessing our work via our **Puppets For All** scheme and through partnership projects with other local organisations including food banks, charities supporting women who face domestic abuse and Islington Council's Children in Need team. This year we gave away nearly 700 tickets through the scheme.

Review of activities 2021/22 (continued)

Community (continued)

Our regular activities this year offered 164 opportunities for engagement. Sessions ranged from Crafternoons, Family Fundays and our Amination Club; to Arts & Chat and Showstoppers Workshops. Our weekly **Crafternoon** sessions for local families are extremely popular and parents appreciate the quality time they get to spend with their children doing something new and exciting, as well as meeting other families who live nearby, extending both their social and support network. We also held several one-off events including a **Community Festival** on the street outside our Studio venue with puppet shows, games and craft activities.

We partner with local organisations offering unique opportunities for the young people they work with to engage with our programme. This year we have delivered work for The Arc (Little Wings Drama Club), bridging hotels (fun interactive sessions for refugee families), Solace Women's Aid (creative course involving journaling, collage and puppet making), Islington Library Project (participation in the Spine Festival), Age UK (online creative project during lockdown), St Giles Trust (Pantry Puppets workshop for people who use their foodbank) and Doorstep Puppet Theatre (taking puppet shows to local estates and community centres).

Creative Learning – Schools, Courses and Classes

This year has seen the return of in-person experiences within our Creative Learning programme and the chance for families, school communities, neighbours and artists to come together and enjoy the experience of being creative as part of a shared experience again.

Working closely with eight local partner schools we ensure continuous engagement with many children and families who may not have access to our work otherwise. Schools benefit from tickets to our productions, puppetry workshops for their pupils, afterschool clubs and support for teachers to enhance the delivery of their curriculum more creatively. We also deliver workshops in schools across London and beyond, ranging from one day puppet making sessions to more bespoke delivery and longer projects, allowing pupils to learn skills in puppet making and explore storytelling and performing with the puppets they have made - over 1,500 children participated in these workshops last year.

We have further developed in our in-house programme of workshops, using the content of our performances to deliver complimentary workshops for families, with 445 tickets sold this year. We have gone back to running our residential **Fun Days** in the school holidays, and restarted **Angel Sings** – our baby and toddler classes, with over 55 families. **Spectrum**, our youth theatre for young people on the autistic spectrum continued online throughout the pandemic and we were able to deliver a hybrid model once in person sessions re-started, to allow those who couldn't attend in person to continue to engage.

Professional Development & Emerging Artists

Adult learning courses were delivered to more than 200 participants over the course of the year, with our Foundation and Intermediate courses running alongside specialised short courses. Our partnership with the Guildhall School continues - the 10 Masters students were supported to develop a show which toured to some of our partner schools and into local community venues.

Review of activities 2021/22 (continued)

Professional Development & Emerging Artists (continued)

In December 2020 we took on two ethnically diverse puppetry interns. Puppetry isn't a diverse art form and we are passionate about changing this through funded opportunities. Over the course of the placement, the interns had the opportunity to design and make puppets and sets for both live and digital LAT shows. We gave them the opportunity to create their own digital short giving them a budget to manage and to learn the skills of collaborative working. They also supported the delivery of our community engagement and education programme by assisting on the delivery of workshops in community and school settings, giving them increased employability skills in the future.

Statistics and Year-on-Year Comparisons

Year	Performances In-House	Attendance In-House	Performances on Tour	Attendance on Tour	Digital Performances	Views
2021-22	663	31,104	168	23,814*	61	362k
2020-21	21	1,113	n/a	n/a	25	843k
2019-20	938	58,212	432	41,042		
2018-19	929	56,620	469	40,306		
2017-18	870	56,740	410	28,099		

*including estimate for Bugaboo digital tour

Key developments in year ended March 2022

- 1) LAT reopened at our studios venue initially in June 2021 with **The Smartest Giant in Town** – this show sold out, albeit to a reduced (socially distanced) capacity. Since then, although we have had to cancel performances due to the impact of Covid on company members, we have been able to stay open and operational throughout the year.
- 2) In September we delivered an ambitious community project – **The Wishing Tree**. Children and young people throughout Islington were able to see their hopes and dreams come to life on stage, following workshops at schools and community centres. The project was delayed due to Covid (from the summer).
- 3) LAT has continued to produce digital content, with 61 videos released this year. Our reach is not as high as it was during the lockdowns, however we have had consistent viewing figures, and are committed to continue to produce digital content and develop our audiences through our **Watch, Make, Share** programme.
- 4) All of our usual strands of operation, including our schools partnership programme, our community engagement programme, our professional development courses and our participatory work (delivering workshops and clubs both at our venues and offsite) have restarted through the year.

Key developments in year ended March 2022 (continued)

- 5) Our touring programme was one of the last to fully restart – hampered by issues in the wider industry. Several productions did feature in venues across the country, either as part of co-production agreements, transfers or touring with 3rd party producers. Looking forward to the new year, this area of activity is growing again.
- 6) LAT continue to invest in an enterprising approach – generating secondary income through various angles, reducing our dependence on an oversubscribed fundraising environment whilst keeping our prices low and our outputs accessible.
- 7) Our commitment to diversification of the puppetry sector remains strong, with recruitment of a new cohort of design trainees underway. We are also committed to reduce our environmental impact, with a staff group leading on reviewing all areas of our operations, and all new productions adhering to Theatre Green Book standards.

Financial position

Over the last year we have been excited to welcome our audiences back with strong box offices for all of our shows, alongside rebuilding our schools, community and professional development programmes. This was made possible by support from generous funders, building partnerships with co-producers and local organisations and ambitious but agile financial management. Over the past 12 months, we have gradually rebuilt our output, being one of the first venues to reopen when restrictions were lifted, delivering a consistent programme since June 2021 and restarting our touring programme with a Christmas transfer, and a full nationwide tour in spring 2022. We have continued to deliver digital content, engaging with this new audience that we developed over the pandemic, and are working on ways to subsidise this going forward.

Total philanthropic giving came to £551,573 (as detailed in Notes 1 & 2 of the financial statements), this is a decrease on the previous year, where over 80% of our income came from grants and donations. This year the impact of Covid support funding started to reduce, and was replaced with earned income from our primary activities as our operations began to return to more normal levels. As always, we are grateful to a large number of individuals who have given donations or become members, their ongoing support is critical to ensuring the financial stability of the organisation.

The Statement of Financial Activities shows total reserves amounting to £1,933,481 with net deficit for the year of £281,540 as disclosed in the financial statements. Reserves include £1,576,693 of revaluation reserve, with a further £356,788 of unrestricted funds.

Out of the total of £356,788 of unrestricted funds, £17,942 were designated to specific purposes, £113,207 were represented by tangible and intangible assets and £23,307 related to the investment property. The charity therefore held £202,332 free reserves as at 31 March 2022 (see reserves section below for more detail on our reserves policy).

Nearly 90% of our expenditure was ploughed straight into our charitable activities – we remain dedicated to supporting our beneficiaries, creating opportunities for our freelance family of artists, retaining our staff team and maintaining our cherished buildings.

Financial position (continued)

There are three designated funds – one for improvements to the fabric of the theatre building; a second to encourage and enable artistic innovation in future programming and a third relating to grant income that has been received in the current financial year, but has been committed to / ringfenced against activity which is taking place in the next financial year.

Investment powers

Under the constitution, the charity has the power to make any investment decisions that the Trustees see fit.

Reserves policy

It is the policy of the Theatre to maintain unrestricted funds, which are the free reserves of the Theatre, at a level which equates to approximately 3 months of committed unrestricted expenditure. The aim of the reserves policy is to set it at such a level that we are able to maintain cash flow and provide funds to cover management, administration and support costs for a period of 3 months. Our stated unrestricted expenditure includes many items that would not be committed to without either securing related income in advance or are not contracted and would not be expended if the organisation was not operational - for example, touring, visiting company activity, schools workshops, some creative learning projects, merchandise cost of sales, casual staffing, etc.

Currently we hold free reserves of £202,332. This is in line with our policy, and ensures that we are in good stead to weather further uncertainty as we navigate our way through this new operating landscape.

Fundraising policy

We are grateful to the many charitable trusts, individuals and organisations who make generous financial contributions towards our work. We are reliant on private and philanthropic income to maintain our activity. We monitor and control our fundraising activities, to ensure that our supporters have a positive experience and are treated fairly. We follow the Institute of Fundraising's guidelines with regard to best fundraising practice. We have not and do not sell donor details as we understand that they have trusted us with their money and information. Fundraising activity is included on our risk register to ensure that it can be managed accordingly and forms part of regular board reporting processes. We are committed to ethical fundraising and foster a culture of utmost respect for donor choice and have not received any complaints in the year.

Plans for future periods

We continue to rebuild our activity to pre-pandemic levels – our on site programme is now close to how it was before Covid-19 hit, and we are starting to tour our productions again. The year will open with I Want My Hat Back Trilogy playing at the Studios (following the standout digital production that we commissioned during the 1st lockdown) alongside an adaptation of the puppet classic Pinocchio at the Theatre. This is followed by a co-production of The King of Nothing with Monstro Theatre, alongside developing our suitcase show Little Angel Theatre's Miniature Travelling Circus from a birthday show into a full scale, but intimate production. Over Christmas, a revival of the classic We are going on a Bear Hunt will play at the Theatre following a national tour, alongside The Pixie and the Pudding at the Studios.

Plans for future periods (continued)

The Smartest Giant in Town continues its nationwide tour, managed by our co-producers FireyLight, with a West End transfer into St Martin's Theatre over Christmas. The Singing Mermaid has secured a Christmas transfer to Lakeside Arts (with co-producers Watershed). There's a Rang-tan in my Bedroom & Other Stories will be out on tour throughout Autumn culminating in a Christmas run at HOME, Manchester, and Me... will be playing at CAST, Doncaster over Christmas. Additionally, our coproduction of The Storm Whale with York Theatre Royal and the Marlowe will have a Christmas run at the Marlowe in Canterbury.

We were overwhelmed by the response from children, local and far afield, to our Watch, Make, Share digital series created in response to lockdown. We have continued to develop digital content throughout this year, building on the bedrock that we created, and looking forward we are planning to move to a more series-based model, which we hope will develop a new type of engagement with our audiences, as well as being a more cost effective way to produce our content. It continues to be very difficult to generate income from digital activity (audiences are used to accessing similar content for free), but we feel very strongly that these resources need to be accessible and easy to use and we are planning to continue to deliver these activities alongside our live output going forwards.

We continue to offer professional development courses and classes – our foundation and intermediate courses remain particularly popular - and we have been using a hybrid (in-person / digital) model to increase access where there is demand. We continue to work to tackle the lack of diversity in the puppetry sector, offering professional development and employment opportunities to underrepresented groups, including training for emerging puppeteers and designers. We will continue to develop our school partnership programme with 8 Islington primary schools, as well as working to deliver 11by11 (an Islington Council scheme to deliver 11 cultural opportunities to all local school children by year 11).

Young people in hospital have been disproportionately impacted by the pandemic, and we are proud to have created a digital version of If Not Here...Where? (our suitcase show created from ideas and stories from young people at Great Ormond Street) enabling it to tour last summer. Our community remains at the heart of everything we do and we are thrilled to have secured funding for our community programme for the upcoming financial year – deepening our relationships with local partners and delivering weekly sessions for local residents and a number of bespoke projects.

Going concern

We have considered the ongoing effects of the outbreak of Covid-19 on the charity's operations and have concluded that the impact on it is likely to be manageable. We have adapted our business plan and operations, facilitating meaningful output and have a detailed plan that enables an effective operation to continue in a variety of possible scenarios, including both live and digital outputs.

Trustees acknowledge and recognise there is an ongoing potential impact of the Covid-19 pandemic on the operations of the charity, its beneficiaries, partners and stakeholders and on wider society. As well as the personal risk to health of its staff, the charity may lose planned income as the result of the cancellation of events and/or the absence of key personnel, although there may be some expenditure savings also. It is not anticipated at the current time that the overall financial position of the charity will be adversely affected or its financial solvency threatened, and that these risks are being proactively and effectively managed.

Structure, Governance & Management

Governing document

The Theatre is constituted as a charitable incorporated organisation (CIO) and is therefore governed by its constitution. The Theatre's Charity No. is 232488.

Appointment of Trustees

Apart from the first charity trustees (who have defined terms in the constitution), every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees. A charity trustee who has served for one term may be reappointed for a second consecutive term but may not be reappointed for a third term without an interval of at least one year.

Trustee induction and training

New Trustees receive an information pack to brief them on their legal obligations under Charity and Company law, a copy of the current version of the Charity's Constitution, a copy of the CIO's latest Trustees' Annual Report and statement of accounts. They meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Trustees

The following served as Trustees during the year and up to the date of signing this report, except where shown:

Trustee	Appointed / Retired / Resigned
J Bierman	Resigned 14 th October 2021
L Cotton	
E Lewis	
L La Rocque	
C Lowry	
C Owen (Chair)	
L Stanfield	
S Wright	
S Zhu	

Organisation

The Board of Trustees administers the Charity. The Board meets at least quarterly and there is a sub-committee covering finance. The Chief Executives are appointed by the Trustees to manage the day-to-day operations of the Charity – Artistic Director Samantha Lane has been in this post since June 2015, and Executive Director Peta Swindall has been appointed as joint CEO from April 2021. To facilitate effective operations, the joint Chief Executives alongside other key management personnel (the Senior Producer, the Head of Development, the Head of Commercial Development and the Head of Creative Learning) have delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and artistic performance related activities.

Structure, Governance & Management (continued)

Related parties

The Charity works collaboratively with other theatres. Certain trustees and key management personnel have roles at other theatres. Further details are provided within the notes to the financial statements.

Risk management

The Trustees have a risk management strategy which comprises:

- ◆ An annual review of the risks the Charity may face;
- ◆ The establishment of systems and procedures to mitigate those risks identified in the plan; and
- ◆ The implementation of procedures designed to minimize any potential impact on the Charity should those risks materialise.

The Trustees have assessed the major risks to which the Theatre is exposed, in particular the ongoing uncertainty around the impacts of Covid-19, reliance on successful fundraising performance, the overstretching of human resources, fostering an environment in which the creative team are able to take risks and those related to the operations, policies, procedures and finances of the Theatre. They are satisfied that systems are in place to mitigate our exposure to the major risks – identifying specific areas of risk and giving an impetus for better planning through regular review of the organisational risk register. A key element in the management of financial risk is the setting of a reserves policy and its regular review by the Trustees.

Key strategic risks which are currently being closely monitored and reviewed include:

- ◆ **Coronavirus** – the pandemic has impacted all areas of delivery, however operations have adapted and the charity is moving back to more stable activity. The area of uncertainty remains around the impact of absence of a staff member, particularly a performer, resulting in periods of self-isolation, show cancellations and reputational damage.
- ◆ **Fundraising Activity** – in an increasingly competitive market (exaggerated by coronavirus), with funding for art's sake becoming less prevalent and more focus on funding work outside of London, this is an area of close monitoring and review.
- ◆ **Staffing and HR capacities** – the impact of the pandemic on the staff team has been significant, with individuals being uniquely affected due to personal circumstances. There has been a high level of staff turnover across the arts industry, and ensuring wellbeing is maintained is challenging with many staff working primarily from home. The board and executive are mindful of this, and are proactively reviewing output and capacity levels to manage this.

Structure, Governance & Management (continued)

Key management personnel

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Board, the Artistic and Executive Directors (joint Chief Executives), the Senior Producer, the Head of Development, the Head of Commercial Development and the Head of Creative Learning. The organisation has a salary scale with bands covering all personnel within the organisation, including Key Management Personnel. Changes to levels of pay for employees can be made in line with this document and alongside the annual appraisal process, with objectives linked to the key strategic aims of the organisation, that all permanent employees complete. Salaries are benchmarked annually and scale is reviewed by the Executive in response to this and adjusted where appropriate and financially deliverable, subject to the approval of the Board. Executive pay reviews follow a similar model, however they are undertaken by the Board.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts 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 these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts 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 that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's trust deed/constitution. They 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.

Structure, Governance & Management (continued)

Statement of trustees' responsibilities (continued)

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

This report was approved by the board on 21/11/2022 and authorised to sign on its behalf by Catherine L. Owen

Catherine L. Owen

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Independent auditor's report to the trustees of Little Angel Theatre

Opinion

We have audited the accounts of Little Angel Theatre (the 'charity') for the year ended 31 March 2022, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of 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 Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), those that relate to fundraising, safeguarding, employment, health and safety and data protection (General Data Protection Regulation).

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

Auditor's responsibilities for the audit of the accounts (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at 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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 25 November 2022

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities 31 March 2022

	Notes	Un-restricted funds £	Restricted funds £	Total funds 2022 £	Un-restricted funds £	Restricted funds £	Total funds 2021 £
Income and endowments from:							
Donations and legacies							
. Donations	1	64,686	8,870	73,556	86,554	—	86,554
. Grants	2	370,219	107,798	478,017	644,047	540,460	1,184,507
Charitable activities							
. Show, touring and education	3	486,034	—	486,034	128,852	—	128,852
Other trading activities							
. Enterprise income		101,665	—	101,665	2,772	—	2,772
Investment	4	64,500	—	64,500	62,228	—	62,228
Other sources		—	—	—	14,022	—	14,022
Total		1,087,104	116,668	1,203,772	938,475	540,460	1,478,935
Expenditure on:							
Raising funds	5	68,709	15,000	83,709	59,373	14,489	73,862
Enterprise	6	82,190	—	82,190	18,828	—	18,828
Investment	7	18,811	—	18,811	19,000	—	19,000
Charitable activities							
. Shows	8	741,081	249,264	990,345	318,387	115,621	434,008
. Touring	8	73,119	37,836	110,955	92,720	—	92,720
. Education	8	133,072	136,230	269,302	158,823	88,688	247,511
Total		1,116,982	438,330	1,555,312	667,131	218,798	885,929
Net (expenditure) income		(29,878)	(321,662)	(351,540)	271,344	321,662	593,006
Other recognised gains							
Unrealised gains on investment assets	21	70,000	—	70,000	80,000	—	80,000
Net movement in funds for the year		40,122	(321,662)	(281,540)	351,344	321,662	673,006
Reconciliation of funds							
Total funds brought forward		1,893,359	321,662	2,215,021	1,542,015	—	1,542,015
Total funds carried forward		1,933,481	—	1,933,481	1,893,359	321,662	2,215,021

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

All income and expenditure derive from continuing activities.

The notes on pages 29 to 37 form part of these accounts.

Balance sheet 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	14		28,140		—
Tangible assets	15		85,067		86,051
Investments	16		1,600,000		1,530,000
			<u>1,713,207</u>		<u>1,616,051</u>
Current assets					
Stock		8,011		5,824	
Debtors	17	132,689		230,080	
Cash at bank and in hand		<u>340,908</u>		<u>514,671</u>	
		481,608		750,575	
Current liabilities					
Creditors: Amounts falling due within one year	18	(261,334)		(151,605)	
Net current assets			<u>220,274</u>		<u>598,970</u>
Net assets			<u>1,933,481</u>		<u>2,215,021</u>
The funds of the charity					
Restricted funds	22		—		321,662
Unrestricted funds					
. General funds	21		338,846		315,137
. Designated funds	21		17,942		71,529
. Revaluation reserve	21		1,576,693		1,506,693
			<u>1,933,481</u>		<u>2,215,021</u>

Approved by the trustees and signed on their behalf by Catherine L. Owen

Catherine L. Owen

Approved on: 21/11/2022

The notes on pages 29 to 37 form part of these accounts.

Statement of cash flows Year to 31 March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by (used in) provided by operating activities	A	(176,035)	342,125
Cash flows from investing activities:			
Rental income received		64,500	62,142
Fixed asset purchases		(62,228)	(32,220)
Interest received		—	86
Net cash provided by investing activities		2,272	30,008
Change in cash and cash equivalents in the year		(173,763)	372,133
Cash and cash equivalents at 1 April 2021	B	514,671	142,538
Cash and cash equivalents at 31 March 2022	B	340,908	514,671

Notes to the statement of cash flows for the year to 31 March 2022.

A Reconciliation of net movement in funds to net cash used in operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	(281,540)	673,006
Adjustments for:		
Amortisation charge	13,860	1,772
Depreciation charge	21,212	17,456
Interest receivable	—	(86)
Rental income receivable	(64,500)	(62,142)
(Increase) decrease in stock	(2,187)	622
Decrease (increase) in debtors	97,391	(78,946)
Increase (decrease) in creditors	109,729	(129,557)
Unrealised gain on revaluation	(70,000)	(80,000)
Net cash used in operating activities	(176,035)	342,125

B Analysis of cash and cash equivalents

	2022 £	2021 £
Total cash and cash equivalents: cash at bank and in hand	340,908	514,671

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2022 with comparative information given in respect to the year to 31 March 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Assessment of going concern

The trustees have assessed the position of the charity as a going concern in preparing this report and financial statements. They have made this assessment, in respect of a period of at least one year from the date of approval of these accounts, based on the charity's operational plan and response to the Coronavirus pandemic; budgets and cashflow forecasts to 31 October 2023; the forecast reserves position at 31 October 2023; its evolving plans for the period to 31 October 2023; and its commitment to moving to a more flexible and financially viable business model.

Little Angel Theatre has secured 65% of the fundraised income that it requires to balance its budget in the current (2022-23) financial year at the point of signing off these financial statements. This year the organisation continues to shift its reliance towards earned income as the live programme of output continues to grow, but these projections are conservative. Funding secured includes grants from a mixture of pre-existing and new funders.

Recognising that Little Angel Theatre's continued ability to deliver its programme of work will depend on continued forward secured funding, the Trustees have considered several factors in concluding that the adoption of the going concern basis in the preparation of these financial statements is appropriate. These have included:

- ◆ The forward pipeline of secured and prospective income streams for a period of at least 12 months from the date of approval of these accounts.
- ◆ The rigour of pipeline monitoring and cost controls that are in place to ensure a balanced budget in the current (2022-23) and subsequent financial year (2023-24) while still maintaining delivery of Little Angel Theatre's programme.
- ◆ Cash management and working capital controls in place to manage the potential risks of late payments by funders and ensure restricted and unrestricted assets and reserves are appropriately managed.

Assessment of going concern (continued)

After making this assessment the Trustees are confident the organisation has adequate resources to operate for the foreseeable future and can adopt the Going Concern basis in preparing its financial statements.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern, and the charity will have sufficient resources to meet its liabilities as they fall due.

Critical accounting estimates and areas of judgement

The preparation of the accounts in compliance with SORP FRS 102 requires the use of certain critical accounting estimates. It requires also that management and Trustees exercise judgement in applying the charity's accounting policies.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities as the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

In preparing these accounts, the Trustees have made significant estimates and judgements in the following areas:

- ◆ Estimating the expected useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ Estimating the expected useful economic life of intangible fixed assets for the purposes of determining the annual amortisation charge;
- ◆ Estimating the market value of the investment property;
- ◆ Estimating any provision for slow moving and/or obsolete stock;
- ◆ Allocating support costs across the charity's activities;
- ◆ Estimating any provision for bad or doubtful debts; and
- ◆ Estimating and recognising accrued expenditure.

Income recognition

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Donations are received by way of cash and gifts and are included in full in the Statement of Financial Activities when receivable. Cash donations are included as income when they are received. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Income recognition (continued)

Grants, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Income from charitable activities represents the total value of box office income, income from tours and education, received by the charity from customers during the year, excluding value added tax.

Trading income from merchandising and refreshments from shows is recognised on receipt.

Rental income from the investment property is recognised over the period of the agreement.

Interest on funds held on deposit is included in the year in which it is 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.

Expenditure recognition

Expenditure is included in the statement of financial activities when incurred and includes any attributable VAT which cannot be recovered.

Expenditure comprises the following:

- a. The costs of raising funds include the salaries, direct costs and overheads associated with generating donated income.
- b. The costs of enterprise include salaries, direct costs and overheads associated with generating income from the sale of refreshments and merchandise.
- c. The costs of managing investment include salaries, direct costs and overheads associated with managing the charity's investment property.
- d. The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the report of the Board.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned based on the estimated staff time spent on raising funds, charitable activities and associated ancillary trading activities, and managing the investment property.

Intangible fixed assets and amortisation

Goodwill 5% on cost

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

Website Development 33.3% on cost

Tangible fixed assets and depreciation

Fixed assets are included at cost and depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold land and buildings 2.5% on cost

Fixtures, fittings and equipment 20% reducing balance

Motor vehicles 25% on cost

Lighting system 10% on cost

IT equipment 20% on cost

Leasehold improvements 10% on cost

Investments

The valuation of the investment property, which is rented out to third party tenants, is based on current open market valuation. These properties are not depreciated.

Unrealised gains (or losses) on the investment property are calculated as the difference between the open market value at the year end and the carrying value at that date. Unrealised gains (or losses) are credited (or debited) in the year in which they arise.

Stock

Stock is stated at the lower of cost and net realisable value.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Basic 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.

Fund structure

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds are monies set aside of unrestricted general funds and designated for specific purposes by the trustees.

Revaluation reserve represents the value of unrealised gains on the charity's investment property.

Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pensions

Contributions in respect of defined contribution pension schemes are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 11. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for employees' contributions.

Taxation

The Little Angel Theatre is a registered charity and therefore not liable to income tax or corporation tax on income derive from its charitable activities, as it falls with the various exemptions available to registered charities.

1. Income from donations

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Members	319	—	319	1,540
Regular, one-off and other donations	64,367	8,870	73,237	85,014
Total 2022	64,686	8,870	73,556	86,554

	Unrestricted funds £	Restricted funds £	2021 Total funds £
<i>Members</i>	<i>1,540</i>	<i>—</i>	<i>1,540</i>
<i>Regular, one-off and other donations</i>	<i>85,014</i>	<i>—</i>	<i>85,014</i>
<i>Total 2021</i>	<i>86,554</i>	<i>—</i>	<i>86,554</i>

2. Income from grants

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Arts Council England	257,465	17,642	275,107	334,430
CJRS grant (furlough)	32,881	—	32,881	190,484
London Borough of Islington	34,143	17,500	51,643	63,642
D'Oyly Carte	—	5,000	5,000	—
Foyle Foundation	25,000	—	25,000	—
Fenton	—	5,000	5,000	—
Greenpeace	—	5,000	5,000	—
Radcliff Foundation	—	5,000	5,000	—
Trusthouse	—	5,000	5,000	—
NESTA	—	—	—	13,461
Garfield Weston	—	—	—	251,662
Backstage Trust	—	—	—	57,921
Paul Hamlyn Foundation	—	—	—	20,000
Cripplegate Foundation	—	—	—	20,000
The Austin and Hope Pilkington Trust	—	—	—	5,000
Children in Need	—	9,716	9,716	—
The Froebel Trust	—	—	—	754
Ernst Hecht	—	—	—	80,000
City of London	—	—	—	29,428
Garrick Charitable Trust	—	—	—	5,000
The Julia and Hans Rausing Trust	—	—	—	89,150
Grants under £5,000	20,730	37,940	58,670	23,575
Total 2022	370,219	107,798	478,017	1,184,507

2. Income from grants (continued)

	Unrestricted funds £	Restricted funds £	2021 Total funds £
Arts Council England	270,000	64,430	334,430
CJRS grant (furlough)	190,484	—	190,484
London Borough of Islington	47,142	16,500	63,642
NESTA	—	13,461	13,461
Garfield Weston	—	251,662	251,662
John Ellerman	—	—	—
Backstage Trust	57,921	—	57,921
Paul Hamlyn Foundation	—	20,000	20,000
Cripplegate Foundation	—	20,000	20,000
The Austin and Hope Pilkington Trust	5,000	—	5,000
Children in Need	—	—	—
The Froebel Trust	—	754	754
Ernst Hecht	10,000	70,000	80,000
City of London	—	29,428	29,428
Garrick Charitable Trust	5,000	—	5,000
The Julia and Hans Rausing Trust	43,550	45,600	89,150
Grants under £5,000	14,950	8,625	23,575
Total 2021	644,047	540,460	1,184,507

3. Income from charitable activities

	Un- restricted funds £	Restricted funds £	Total funds 2022 £	Un- restricted funds £	Restricted funds £	Total funds 2021 £
Box office	361,662	—	361,662	35,618	—	35,618
Touring	31,870	—	31,870	13,044	—	13,044
Education	10,500	—	10,500	65,174	—	65,174
Theatre tax relief	82,002	—	82,002	15,016	—	15,016
	486,034	—	486,034	128,852	—	128,852

4. Income from investments

	Un- restricted funds £	Restricted funds £	Total funds 2022 £	Un- restricted funds £	Restricted funds £	Total funds 2021 £
Income from investment properties	64,500	—	64,500	62,142	—	62,142
Interest received	—	—	—	86	—	86
	64,500	—	64,500	62,228	—	62,228

5. Expenditure on raising funds

	Un-restricted funds £	Restricted funds £	Total funds 2022 £	Un-restricted funds £	Restricted funds £	Total funds 2021 £
Direct costs	729	—	729	44,724	14,489	59,213
Staff costs (note 11)	49,580	15,000	64,580	2,219	—	2,219
Support costs (note 9)	18,400	—	18,400	12,430	—	12,430
	68,709	15,000	83,709	59,373	14,489	73,862

6. Expenditure on enterprise

	Un-restricted funds £	Restricted funds £	Total funds 2022 £	Un-restricted funds £	Restricted funds £	Total funds 2021 £
Direct costs	20,452	—	20,452	1,967	—	1,967
Staff costs (note 11)	48,620	—	48,620	13,706	—	13,706
Support costs (note 9)	13,118	—	13,118	3,155	—	3,155
	82,190	—	82,190	18,828	—	18,828

7. Expenditure on managing investment

	Un-restricted funds £	Restricted funds £	Total funds 2022 £	Un-restricted funds £	Restricted funds £	Total funds 2021 £
Staff costs (note 11)	15,087	—	15,087	16,044	—	16,044
Support costs (note 9)	3,724	—	3,724	2,956	—	2,956
	18,811	—	18,811	19,000	—	19,000

8. Expenditure on charitable activities

	Direct costs £	Staff costs (note 11) £	Support costs (note 9) £	2022 Total £	2021 Total £
Shows	537,400	293,470	159,475	990,345	434,008
Touring	33,602	52,771	24,582	110,955	92,720
Education	63,771	133,869	71,662	269,302	247,511
	634,773	480,110	255,719	1,370,602	774,239

	Direct costs £	Staff costs (note 11) £	Support costs (note 9) £	2021 Total £
Shows	118,759	217,856	97,393	434,008
Touring	15,827	60,545	16,348	92,720
Education	39,512	142,398	65,601	247,511
	174,098	420,799	179,342	774,239

9. Support costs

	2022 Total £	2021 Total £
Depreciation	21,215	17,456
Amortisation	13,860	1,772
Governance costs	15,020	12,028
Other costs	240,866	166,627
	290,961	197,883

10. Net movement in funds

This is stated after charging:

	2022 £	2021 £
Staff costs (note 11)	608,397	509,762
Auditor's remuneration (including irrecoverable VAT)		
. Statutory audit services (current year)	7,800	7,050
. Statutory audit services (prior year)	1,820	2,900
. Non audit services	5,400	3,100
Depreciation	21,215	17,456
Amortisation	13,680	1,772

11. Employees

The average monthly numbers of employees during the year were:

	2022 No.	2021 No.
Arts department	12	9
Administration	1	2
Technical	5	5
Education	4	4
	22	20

	2022 £	2021 £
Employment costs		
Salaries and wages	551,254	462,989
Social security costs	45,418	36,699
Pension costs	11,725	10,074
	608,397	509,762

There were no employees during the year with emoluments above £60,000 (2021 – none).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Board, the Artistic and Executive Directors (joint Chief Executives), the Senior Producer, the Head of Development, the Head of Commercial Development and the Head of Creative Learning. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £224,647 (2021 – £202,723).

12. Members of the Board

No members of the Board received any remuneration in respect of their service during the year (2021 – none).

No members of the Board received reimbursement of expenses in the year (2021 – none).

13. Taxation

Little Angel Theatre Company is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

14. Intangible fixed assets

	Website and brand development £	Goodwill £	Total £
Cost			
At 1 April 2021	—	35,576	35,576
Additions	42,000	—	42,000
At 31 March 2022	42,000	35,576	77,576
Provision for diminution in value			
At 1 April 2021	—	35,576	35,576
Charge for the year	13,860	—	13,860
At 31 March 2022	13,860	35,576	49,436
Net book values			
At 31 March 2022	28,140	—	28,140
At 31 March 2021	—	—	—

15. Tangible fixed assets

	Land and buildings freehold £	Lighting £	Fixtures, fittings and equipment £	Motor vehicle £	IT equipment £	Leasehold improvement £	Total £
Cost							
At 1 April 2021	39,042	162,764	72,289	5,500	29,278	60,477	369,350
Additions	3,045	7,581	3,908	—	797	4,897	20,228
At 31 March 2022	42,087	170,345	76,197	5,500	30,075	65,374	389,578
Depreciation							
At 1 April 2021	27,634	147,847	60,209	4,102	16,770	26,737	283,299
Charge for the year	1,585	4,544	3,523	1,398	3,061	7,101	21,212
At 31 March 2022	29,219	152,391	63,732	5,500	19,831	33,838	304,511
Net book values							
At 31 March 2022	12,868	17,954	12,465	—	10,244	31,536	85,067
At 31 March 2021	11,408	14,917	12,080	1,398	12,508	33,740	86,051

16. Fixed asset investment

	Total 2022 £	Total 2021 £
Investment property		
At 1 April 2021	1,530,000	1,450,000
Net unrealised gains on revaluation	70,000	80,000
At 31 March 2022	1,600,000	1,530,000

The investment property is situated in the UK. The investment property was revalued at market value as at 31 March 2022 by an external valuer, Neilson & Bauer Ltd.

17. Debtors

	2022 £	2021 £
Trade debtors	18,862	18,129
Other debtors	7,250	7,250
Prepayments and accrued income	106,577	204,701
	132,689	230,080

18. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,834	2,834
Taxes and social security costs	(5,402)	24,346
Other creditors	14,650	14,650
Accruals and deferred income	249,252	109,775
	261,334	151,605

Deferred income relates to grants and ticket sales received in advance.

Deferred income reconciliation:

	2022 £	2021 £
Deferred income at 1 April	80,970	—
Amounts deferred during the year	161,981	80,970
Amounts released during the year	(80,970)	—
Deferred income at 31 March	161,981	80,970

19. Lease commitments

The total value of the minimum lease payments under non-cancellable operating leases were as follows:

	2022 £	2021 £
Land and buildings		
Within a year	32,368	29,500
Two to five years	129,472	118,000
More than five years	161,840	196,667
	323,680	344,167

20. Analysis of net assets between funds

	Unrestricted funds				2022 Total funds £	2021 Total funds £
	General funds £	Designated funds £	Revaluation reserve £	Restricted funds £		
Fund balances at 31 March 2022 as represented by:						
Intangible fixed assets	28,140	—	—	—	28,140	—
Tangible fixed assets	85,067	—	—	—	85,067	86,051
Investment assets	23,307	—	1,576,693	—	1,600,000	1,530,000
Current assets	463,666	17,942	—	—	481,608	750,575
Current liabilities	(261,334)	—	—	—	(261,334)	(151,605)
	338,846	17,942	1,576,693	—	1,933,481	2,215,021

	Unrestricted funds				2021 Total funds £
	General funds £	Designated funds £	Revaluation reserve £	Restricted funds £	
Fund balances at 31 March 2021 as represented by:					
Intangible fixed assets	—	—	—	—	—
Tangible fixed assets	86,051	—	—	—	86,051
Investment assets	23,307	—	1,506,693	—	1,530,000
Current assets	357,384	71,529	—	321,662	750,575
Current liabilities	(151,605)	—	—	—	(151,605)
	315,137	71,529	1,506,693	321,662	2,215,021

21. Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers and gains £	At 31 March 2022 £
Designated fund – buildings	15,269	—	—	—	15,269
Designated fund – creative	2,673	—	—	—	2,673
Designated fund - committed	53,587	—	—	(53,587)	—
Revaluation reserve	1,506,693	—	—	70,000	1,576,693
General funds	315,137	1,087,104	(1,116,982)	53,587	338,846
	1,893,359	1,087,104	(1,116,982)	70,000	1,933,481

	At 1 April 2020 £	Income £	Expenditure £	Transfers and gains £	At 31 March 2021 £
Designated fund – buildings	15,269	—	—	—	15,269
Designated fund – creative	2,673	—	—	—	2,673
Designated fund - committed	—	—	—	53,587	53,587
Revaluation reserve	1,426,693	—	—	80,000	1,506,693
General funds	97,380	938,475	(667,131)	(53,587)	315,137
	1,542,015	938,475	(667,131)	80,000	1,893,359

General funds represent those funds that are unrestricted and not designated for specific purposes.

21. Unrestricted funds (continued)

The designated building fund was for improvements to the fabric of the theatre building.

The designated creative fund was created in 2015/16 to enable artistic innovation in future programming. It is anticipated that there will be some contribution from this fund into the development of our digital strand of activity.

The designated committed fund relates to grant income that has been received in the current financial year, but has been committed to / ringfenced against activity which is taking place in the next financial year.

The revaluation reserve represents unrealised gains on revaluation of the investment property at 41 Cross Street. Movements in unrealised gains during the year were as follows:

	At 1 April 2021 £	Change in market value £	At 1 March 2022 £
Revaluation gains	1,506,693	70,000	1,576,693

	At 1 April 2020 £	Change in market value £	At 1 March 2021 £
Revaluation gains	1,426,693	80,000	1,506,693

22. Restricted funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Restricted funds	321,662	116,668	(438,330)	—	—
Total restricted funds	321,662	116,668	(438,330)	—	—

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Restricted funds	—	540,460	(218,798)	—	321,662
Total restricted funds	—	540,460	(218,798)	—	321,662

Restricted funds comprise amounts of grants and other income accrued in relation to specific projects. Restricted funds were received from 23 grant awarding bodies (as stated in Note 2). These grants were awarded in relation to specific projects, some of which concluded during this financial year, and some which are due to take place in future financial years.

23. Related party transactions

The following related party transactions took place during the reporting period:

- ♦ The aggregate donations received from trustees and related parties during the year was £2,097 (2021 – £2,225).
- ♦ Peta Swindall (Executive Director) is on the board of Metta Theatre Company whom Little Angel Theatre commissioned to create a digital short production in 2021. A payment to Metta Theatre Company of £nil (2021 - £1,800) was made in relation to the commission.