



**OCTAGON THEATRE TRUST LIMITED**  
**GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR**  
**THE YEAR ENDED MARCH 31 2022**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31 2022**

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**OCTAGON THEATRE TRUST LIMITED**  
**CHAIR'S STATEMENT**  
**FOR THE YEAR ENDED MARCH 31 2022**

When it comes to the Octagon, I can't help but be inspired by the dedication, commitment and passion of everyone involved and reflecting on the last year, that couldn't be more true. Having been appointed as Chair of the Board of Trustees in 2022 after being on the board for just over a year, I find it fascinating just how much amazing activity is delivered by the team, particularly considering the challenges that have been thrown at us since re-opening last summer.

Through the year I've laughed, shed a tear or two and connected with friends old and new thanks to the excellent performances. I've loved everything I've seen at the Octagon over the year and a couple of stand outs from me are the remarkable adaptation of 'Kes' which the Guardian review called "a superb poetic evocation of much-loved tale" and 'An Adventure', which was a travel through time, culture and love and one of our board members was cast in the production; my trustee colleagues are indeed a talented bunch!

At the end of the year we said goodbye to Claire Moreland after completing her tenure of 6-years as Chair of the Board of Trustees. Claire's been awarded true legend status in the Octagon's 'Hall of Fame' for her commitment, diligence and leadership through the development and delivery of the capital programme that gave us our fabulous new theatre. Claire was a true star and on behalf of the whole board, we thank her for the 6 years that she gifted to the Octagon.

As we moved on with our strategy and increasing the diversity of both our offer and our audiences, we're actively engaging new people and communities to ensure that people realise that theatre is for them if they want it to be, whoever they are. We've nailed down our new values that will underpin how we do what we do which are: Creativity; Inclusivity; Care; Curiosity; and Integrity. Being clear on our purpose, vision and values continues to be really important in positioning the Octagon in the context of not only our place-based activities in Bolton, across Greater Manchester and beyond, but also how, when and with whom we work.

It's been really positive to build relationships with our strategic partners at Bolton Council, Bolton University and Bolton at Home, local partners who are all investing in the work of the Octagon and critical to the increased involvement and inclusion of diverse communities in the theatre and arts in Bolton. I'm looking forward to building relationships with all the strategic partners at the Octagon in Bolton and beyond in the year ahead. The 21/22 year posed incredible financial challenges, and the ongoing investment of Arts Council England plus the Government's Cultural Recovery Fund, along with funding from Garfield Weston and Wolfson foundations, has been crucial to our endurance and future recovery. On behalf of the trustees, my thanks to all of them and everybody who has generously supported the Octagon.

I'd like to thank the whole staff team and volunteers at the Octagon for everything that they've done over the year. As Chair, I'll use Chair's privilege to also publicly thank both Roddy in his role as Chief Executive and Lotte in her role as Artistic Director for their impeccable leadership, spectacular creativity and unfailing professionalism throughout the year. I see how they both inspire and support the team so that the Octagon continues to punch higher and their collaboration is fantastic.

As I look forward, the year ahead is already bringing new challenges. Escalating fuel costs, the cost of living on our staff and audiences and a psyche influenced by two-years of Covid measures means that there is uncertainty for people and that means uncertainty for us. As a responsible employer and theatre, we'll continue to make the decisions that will secure the future of excellent theatre in Bolton, so come and join us and find your way to support the Octagon. We really can't do it without you.

Thank you.

Darren Knight  
Chair of the Board of Trustees

**OCTAGON THEATRE TRUST LIMITED**  
**ADMINISTRATIVE INFORMATION**  
**FOR THE YEAR ENDED MARCH 31 2022**

**DIRECTORS**

Name	Nominee/Elected	Appointed/Resigned	Position	Subcommittee (see key below)
C Moreland	Elected trustee	Resigned 28/03/22	Chair until 28/03/22	FR, PE
D J Knight	Elected trustee		Chair from 28/03/22	PE
S A Young	Elected trustee		Vice Chair	FR
S D Plant	Elected trustee		Chair FR	FR
Dr E K Alladi	Elected trustee			PE
H Bowdur	Elected trustee			FR
Cllr M Cox	BMBC nominee	Resigned 27/09/21		
K Devlin	Elected trustee	Resigned 12/07/22		PE
L A Harvey	Elected trustee		Chair PE	PE
S Hussain	Elected trustee			PE
V E Jackson	Elected trustee			PE
T A Lewyckyj -Wood	Elected trustee			PE
Cllr M Murray	BMBC nominee			
F L Noden	Elected trustee			FR
C Southern	Elected trustee			FR
I Tabbron	Elected trustee			FR
Cllr H Fairclough	BMBC nominee	Appointed 27/09/21		

**COMPANY SECRETARY**

K B Jones

**KEY STAFF**

R Gauld	Chief Executive
L Wakeham	Artistic Director
K B Jones	Head of Finance and Business
M Irving-Murphy	Head of Operations and Customer Experience
C Whitwood	Head of Production
C Rachwal	Head of Marketing and Communications
V Brown	Head of Creative Engagement (until January 2022)
D Fearnley	Head of Development
I Woolrich	Head of Creative Engagement (from January 2022)

**REGISTERED OFFICE AND  
PRINCIPAL PLACE OF BUSINESS**

Howell Croft South  
Bolton  
BL1 1SB

**AUDITORS**

HGA Accountants & Financial Consultants Ltd  
t/a **Chittenden Horley** - Chartered Accountants  
The Wesley Centre  
Royce Road, Hulme  
Manchester M15 5BP

**BANKERS**

Barclays Bank plc  
1 Market Street  
Bolton  
BL1 1XA

**KEY TO SUBCOMMITTEES**

FR – Finance and Resources Sub-committee  
PE – People and Equality Sub-committee

**OCTAGON THEATRE TRUST LIMITED  
TRUSTEES' AND DIRECTORS' ANNUAL REPORT  
FOR THE YEAR ENDED MARCH 31 2022**

The trustees present their annual report together with the consolidated financial statements of the charity and its subsidiaries for the year ended March 31 2022.

**REPORTING FRAMEWORK**

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), referred to as the Charities SORP (FRS 102) (second edition – October 2019).

**OBJECTIVES AND ACTIVITIES**

**Charitable objects**

The objectives of the charity are:

“to promote, maintain, improve and advance education, particularly by the production of educational plays and the encouragement of the Arts, including the arts of drama, mime, dance, singing, and music”.

We achieve these objectives through the operation of the Octagon Theatre in Bolton and the creation of theatre productions for regional and national audiences, including work off-site, on tour and online; and through extensive programmes of learning and participation with, by and for our community.

**Activities**

The charity's main activities are:

- Producing and presenting high quality theatre productions that are accessible and relevant for the communities of Bolton and beyond. The programme includes a range of new, contemporary and classic plays, including musicals and family shows. In-house productions are made and rehearsed in Bolton, with a skilled local workforce alongside artists drawn from across the UK; co-productions are made with a range of exciting artistic collaborators who share our values; and presenting work is programmed to provide a diverse line-up of the best quality touring performing arts, ranging from popular entertainment to thought-provoking new work.
- Inspiring and engaging young people and adults to take part in creative activities. These involve a wide range of theatre and creative practices that encourage theatre practice, creativity, collaboration and communication. Often we work with other partners to reach and engage participants, including schools with whom we work to enhance and enrich student learning, and
- Developing the talent and professional skills of the theatre and creative industries. This includes opportunities for new work to be developed and showcased, support for artists at all stages of their career to improve their work and employability, and training for college and university students to ensure they are industry ready.

**Organisational purpose, mission and values**

Purpose

To be vital for a happier, healthier community.

Mission

We will be bold, adventurous and popular, making theatre of the highest quality. We will be a brilliant creative home for the people of Bolton and beyond. We believe that everyone has their own story to tell and we will enrich communities and change peoples' lives through creative expression.

Values

- CREATIVITY – We are imaginative, playful, artistic and resourceful. We are storytellers and we encourage everyone's potential to express themselves.
- INCLUSIVITY – We listen, learn and change so that we can become more inclusive. We want everyone to feel safe and at home with the Octagon. We are richer and stronger together.
- CARE - We care about people, their feelings and wellbeing. We care about our work and doing the best that we can. We care about our community and our environment.
- CURIOSITY – We are open minded, brave and willing to take risks. We enjoy learning and create a safe space for ideas and debate. We choose curiosity over judgement.
- INTEGRITY – We are authentic and honest. We treat people with respect and fairness. We are responsible and accountable. We deliver on what we promise.

**OCTAGON THEATRE TRUST LIMITED  
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**Public benefit**

In shaping the objectives and planning the activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The charity relies on grants and the income from fees and charges to cover its operating costs. In setting the level of ticket prices, fees and other charges the trustees give consideration to the accessibility to activities for those on low income.

**Contribution of volunteers**

Volunteers play a vital and varied role in the life of the Trust: as trustees, providing customer care, and providing pastoral support during creative engagement activities. We are grateful to them all for their continued support and contribution.

**ACHIEVEMENTS AND PERFORMANCE**

We were delighted to reopen the Octagon for our first performance in May 2021, after a three year closure during which we refurbished the theatre, operated off-site and endured the worst of the pandemic. Our opening was the cumulative effort and care of countless staff, volunteers, partners and contractors over many years, and we are incredibly grateful to everybody who played a part in getting the Octagon to this point.

Whilst we opened to performances in May, we in fact first opened our doors in February as part of Bolton's incredible vaccine drive, acting as a patient observation centre. Subsequently artists and young participants got to be the first to use our new modern and accessible facilities, before the first production, *See You at the Octagon*, opened on 26 May. Our opening year was carefully curated to attract previous and new audiences, to take artistic risks and to balance the financial risks that were associated with the then ongoing pandemic. During 2021-22 we produced:

- *See You at the Octagon* by Becky Prestwich. Directed by Lotte Wakeham. 26 May to 15 June 2021
  - "This poignant and beautifully told and performed script draws you into the characters' lives, serving to remind us of the role theatre plays in people's lives and how blessed the town is to have theatre 'made in Bolton'." – Bolton News
- *The Hound of the Baskervilles* by Arthur Conan Doyle, adapted by Steven Canny and John Nicholson. Directed by Lotte Wakeham. 1 July to 7 August 2021
  - "Everything we have been missing as theatres went dark during the pandemic" – Bolton News
  - "The perfect blend of farcical comedy and mystery drama" – Opening Night
  - "An unashamedly crowd pleasing affair" – The Stage
- *Home, I'm Darling* by Laura Wade. Directed by Liz Stevenson. 1 September to 2 October 2022. Co-production with Theatre by the Lake and Stephen Joseph Theatre.
  - "The staging is brilliant, the acting first class and the play rich" – The Yorkshire Post
  - "Another brilliant night out at the Octagon" – Bolton News
- *Peter Pan* by JM Barrie, adapted by Sarah Punshon, music and lyrics by Ziad Jabero and Claire Tustin. Directed by Lotte Wakeham. 26 December 2021 to 9 January 2022
  - "A festive show perfect for children of all ages" – Thereviewshub.com
  - "The perfect way to kick off the festive season" – Manchester Evening News
- *An Adventure* by Vinay Patel, directed by Kash Arshad. 4 to 26 February 2022
  - "Epic trek from India to England with a stunning debut" – The Guardian
  - "Visually impressive and powerfully acted" – The Stage
  - "Intensely intimate, moving and thought provoking" – Bolton News
- *Kes* by Barry Hines, adapted for the stage by Robert Alan Evans, 10 March to 2 April 2022
  - "A bold reimagining of a modern classic" – Northwestend.com
  - "Superb poetic evocation of much-loved tale" – The Guardian

We have been delighted by the critical response to our programme, with a string of positive reviews in the national press as great local endorsements of our work. 191 performances were seen by 29,415 people during the year. In addition, we staged 2 small festivals reaching 1,389 people; produced a radio drama; and produced a short film (which was screened to an estimated 100 people at the Bolton Film Festival). 4,821 people took part in our formal and informal learning sessions.

Our Creative Engagement work included our inaugural Family Festival, which was co-designed with Bolton families and provided free activities including circus workshops, storytelling, dance and UV discos! 70% of families who took part were first time visitors to the theatre. Our React project, funded by the National Lottery Community Fund until 2022, provided a breadth of activity that was also co-designed and co-created with 50s with the aim of reducing loneliness. A number of new community partnerships have been established as a result of this exciting venture. A Theatre Club, a women's group to increase creativity, Dementia Friendly performances and Dementia Friendly coffee mornings are just some of the initiatives that have been piloted and we expect to continue to embed provision for older people in our work in the future.

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We continued our popular youth theatre and the Young Octagon (a performance group for aged 13-19) who worked towards a production in the National Theatre Connections Festival; and The Academy, a ten year programme to provide creative and life skills for young people came to an end with its final production, *Starship Unity*. This programme has benefited hundreds of young people who were at risk of social exclusion and we're grateful to the Oglesby Charitable Trust and IGEN for their support of the programme. Testimonials from parents and carers highlight the impact of the work:

- "Wonderful opportunity - unique concept. Brings out the best in all involved. The young people put their hearts and souls into it. Inclusivity at its best"
- "The Academy is a wonderful thing for young people to engage in and pushes them outside of their comfort zone in a safe environment and a fantastic opportunity to learn and have fun"

During 2021, AMION Consulting completed an Impact Study, commissioned by the trustees to understand how the Octagon makes a positive contribution to Bolton and the surrounding area. Using data from the three years prior to the closure for redevelopment, the study found that the Octagon:

- Generated an annual economic impact of £10.8m per year, of which £8.43m is captured within Greater Manchester and £5.89m within Bolton itself;
- Generated social impact of £0.89m per year through health, education and volunteering.
- Produced a total benefit cost ratio of £13.44 to every £1 of public sector investment (Arts Council England, Bolton Council and Greater Manchester Combined Authority).
- Produced a benefit cost ratio to Bolton Council of £43 in GVA and social impact for every £1 of revenue investment.
- Improved Bolton's reputation, with 96% of audiences surveyed saying that the Octagon was good for Bolton's impact, and over £1m of positive media coverage generated every year.

The study went on to assess the benefits arising in Bolton specifically over the next 25 years as a result of the theatre's redevelopment and estimated a net value of £110m, which compared to £90.1m pre-redevelopment, is £19.1m of additional impact in Bolton.

The trustees are pleased and proud to see such strong evidence of the Octagon's economic and social impact, in addition to its cultural contribution. The report states that the Octagon "represents good value for money in the public sector and especially so within the arts and cultural sector". The trustees look forward to seeing the Octagon's impact grow in the years ahead.

### **Fundraising**

The trustees place great importance on relationships with donors and are committed to ensuring best practice. There is an in-house development team and no other professional fundraiser or commercial participator carried out any fundraising activities during the financial year.

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**FINANCIAL REVIEW**

**Overview**

Taking into account Theatre Tax Relief generated through Octagon Theatre Productions Ltd, the Group completed its financial year with a financial surplus on unrestricted funds of £313,227 (2021 – surplus £173,971) after transfers and designations. This has been achieved largely due to the additional funding support secured to address the pandemic from the Arts Council and other funders, the ongoing costs savings arising from the restructure that took place in 20/21 and the use of the designated fund of £130,000 set aside last year to support the COVID recovery plans.

The charity had previously designated £30,000 to support the artistic programme but this was not required in the year and has been carried forward.

At the year end the Trust's funds stood at:

	£'000
Unrestricted funds:	
General funds	909
Designated funds	1,066
	<u>1,975</u>
Restricted funds	195
	<u><u>2,170</u></u>

**Trading subsidiaries**

Octagon Catering Services (OCS) was having been unable to trade in the previous year reopened the café and bars in 21/22. However, restrictions on audience sizes to combat Covid, lower than forecast actual audience sizes and the disruptions caused by the omicron variant mean that the company did not perform as well as expected. The directors continue to explore the best way of operating the business, and have sought appropriate external advice. The budgets and forecast prepared by the directors of OCS show that it is expected to recover its solvency by March 2025.

The other wholly owned trading subsidiary, Octagon Theatre Productions Ltd, was again engaged as the production vehicle for our plays, and for 21/22 has generated theatre tax credits of c£131k.

**Principal funding sources**

The following table summarise the major sources of funding for the Group:

	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Core funding	922	885	943	910
COVID related funding	276	1,350	-	-
Donations & legacies	45	126	117	138
Capital grants	-	-	87	60
Charitable trading	637	42	522	853
Project grants	40	117	124	87
Fundraising/trading income	257	107	149	245
Interest	1	2	8	4
Other income	-	-	-	9
	<b>2,178</b>	<b>2,629</b>	<b>1,950</b>	<b>2,306</b>

Details of the material funders are shown in the notes to the financial statements.

**Investment policy and review**

Surplus funds are placed on deposit with our bankers. There are no fixed asset investments.



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**Risk management**

The trustees discuss and approve a risk register on an annual basis, and the Finance and Resources Sub-Committee review this on a bi-monthly basis. The greatest risks facing the charity, and the approach to their management, is summarised as follows:

Restabilising customers and customer income	The combined effects of closing the theatre for refurbishment in 2018, followed by the pandemic, and the cost of living crisis in 2022, has dramatically reduced our number of active customers. Many people have yet to return to the theatre-going habit, both at the Octagon and nationally. Given that customer-generated income forms the majority of turnover, this is naturally the highest risk facing the charity. We have increased investment in marketing compared to pre-pandemic spending; and are being dynamic about ticketing, programming and planning as we seek to adapt to different customer behaviours and rebuild customer loyalty.
Reliance and uncertainty on grant income	There is a proactive approach to maintaining positive relationships with all funding stakeholders, and to monitoring the economic context the Trust operates within. The trustees and key staff have recently reviewed our short to medium term priorities and ensured these are aligned to our major stakeholders: Arts Council England, Bolton Council and Greater Manchester Combined Authority. In May 2022, we submitted our NPO application to the Arts Council for the period 2023-2026. We are aware of the stiff competition for funds and also that Bolton is a Levelling Up for Culture Priority Place. We believe we have made a strong application and a decision is due in October 2022, allowing six months planning ahead of the next financial year.
Failure to meet earned income targets	Box office, co-production and catering income targets are set clearly and specifically, allowing for frequent review throughout the year. There are regular forecasts to monitor income and expenditure, with scope for in-year adjustments to respond to any risks and take corrective actions where necessary. Earned income is particularly unpredictable in light of Covid-19 and the trustees have determined to maintain sufficient reserves to cope with any shortfalls as we work to return to normal trading levels from 2022 onwards.
Limited organisational capacity, resilience and accommodation	The redevelopment of the theatre has significantly improved our accommodation and has opened up new opportunities for income generation through conferencing and venue hire. However, lower than pre-pandemic box office income is hindering the growth of our workforce, placing pressures on staff capacity and resilience. This is compounded by the loss of much of the freelance theatre workforce since the pandemic. The trustees place considerable importance on a maintaining a healthy and capable workforce and a range of mechanisms are in place to monitor and support staff wellbeing. A recent staff survey showed high levels of engagement and morale despite the prevailing challenges. From 2022, the Trust will be an accredited Living Wage Employer. To grow capacity and widen access to the arts there will be an increase in volunteering. The trustees are very open to opportunities for collaboration with other organisations and scoping various options. We have now also vacated our former workshop and store building at the end of its lease and are exploring options for its replacement whilst we rent short-term alternative premises.
Failure to meet expectations	The trustees regularly evaluate the performance of the charity and the quality of the theatre's work. This includes artistic outcomes, reputation, audience satisfaction and stakeholder requirements. Customer surveys are carried out throughout the year to understand areas of success and improvement in production, customer services and other areas. Net Promoter Score is used across all areas of the charity to measure customer satisfaction.
Underrepresentation of diversity	The trustees recognise that the Octagon does not yet fully reflect the diversity of the population it serves. Good progress has been made in recent years to improve diversity within our creative practices and selection of artists, and more recently the appointment of new trustees. Changes to programming and new community relationships have allowed us to forge new audience and community relationships. In 2022/23, the Octagon will take part in the OF/BY/FOR/ALL global change network – a facilitated curriculum for building more inclusive and equitable relationships between cultural institutions and their community.

**Going concern**

The impact of COVID 19 is set out in the risk review above and the future plans below. In light of the financial support secured and measures taken and the contingency plans in place the Trustees have concluded that the accounts are properly prepared on the going concern basis.

The Directors support the view of the directors of Octagon Catering Services Ltd that that company will recover its financial position over time.

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**Reserves**

The Trustees established a reserves policy in 2012, as amended by subsequent decisions, to address both the short-term and long-term needs of the charity. In 2016, Trustees made a decision to increase the reserves to mitigate risks associated with the capital project and temporary closure of the theatre.

The policy required:

Cash reserve	500,000
Fixed asset replacement	76,050 (balance of the original allocation of £130k)
Programme support	30,000
Capital programme	3,166 (balance of the original allocation of £70k)

To which have been added additional designated funds of £21,467 for the costs of vacating the workshop, and c£935k representing the investment in fixed assets (tangible and investments).

This policy is regularly reviewed to meet the risks of the charity, including the recent capital project, the pandemic and the current economic crisis. The trustees consider it prudent to maintain free reserves of no less than £500k and have agreed that funds in excess of this level will be used towards maintaining the theatre's output in 2023/24 and 2024/25.

At the end of the year the charity had c£1,155k in the bank account, which includes restricted grants and donations of c£195k along with designated funds.

The free reserves (unrestricted funds not invested in fixed assets or otherwise designated) were c£909k.

**FUTURE PLANS**

In 2022/23, the Octagon will stage one of its most ambitious programmes yet, as we seek to reengage audiences who have yet to return post-refurbishment and post-pandemic. With the resources secured through our Future Fund, the trustees have adopted a strategy of boldly investing in the programme and audiences in order to secure longer-term financial resilience, with mix of new work, popular titles and large-scale productions.

The artistic programme for 2022/23 includes:

- The world premiere of *Habibti Driver* by Shamia Chalabi and Sarah Henley
- The smash hit comedy *One Man Two Guvnors* by Richard Bean (a co-production with Liverpool Everyman & Playhouse and Theatre by the Lake)
- The world premiere stage adaptation of *The Book Thief* by Markus Zusack, adapted by Jodi Picoult and Timothy Allen McDonald with music and lyrics by Elyssa Samsel and Kate Anderson.
- Emma Rice's stage adaptation of *Brief Encounter* by Noel Coward (a co-production with Stephen Joseph Theatre and Theatre by the Lake)
- A new musical adaptation of *A Christmas Carol* by Charles Dickens, adapted by Kate Ferguson and Susannah Pearse
- One of the Octagon's most performed plays, *Spring and Port Wine* by Bolton playwright Bill Naughton.

Including a world premiere new musical with an international team, of a novel with a huge global reputation, is a bold and ambitious statement about the Octagon's aspirations for the future. We are moving to a programming approach in 2022/23 and 2023/24 of focussing on "fewer, bigger, better" in-house productions alongside increased co-producing and programming of touring and community work.

We are also launching a far-reaching creative engagement programme called Sharing Stories: a three year plus initiative to work with families, schools, libraries and other partners to involve young people and families in creative and literacy activity in under-invested neighbourhoods in Bolton.

Whilst recognising the challenging economic circumstances that the charity faces, the trustees are also recognise the challenges facing our workforce and have committed to paying the Real Living Wage and joining the Living Wage Campaign – becoming the first theatre in the region to do so.

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**STRUCTURE GOVERNANCE AND MANAGEMENT**

**Governing document**

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated June 6 1966, as amended by special resolutions dated October 7 1983, August 15 1986, September 11 1995 and November 25 2002.

**Members of the company**

The only members of the company are those appointed as trustees and directors. They cease to be members of the company on their resignation as trustees and directors.

**Appointment of Directors and Trustees**

The trustees, who are also the Directors of the Company, are appointed as follows:

- Bolton Council nominates up to three directors
- Greater Manchester Combined Authority (GMCA, formerly AGMA) nominates up to two directors
- Other directors are appointed at the Annual General Meeting

Excluding the nominated directors, at each AGM, one third of the Directors retire by rotation, being the longest in office and are eligible for re-election. Trustees normally serve two terms of three years each.

**Trustee recruitment, induction and training**

The trustees endeavour to ensure that they have within their number the appropriate range of skills and abilities, and from time to time will seek to identify individuals, who they believe can contribute essential knowledge and experience, to recruit to the Board.

New trustees are identified through open advertisement alongside targeted recruitment. The board endeavours to ensure that the trustees collectively have a relevant range of skills and abilities, including appropriate representation of Bolton's community and demographics.

New trustees receive induction meetings with the Chair and Chief Executive to brief them on the organisation, as well as information on their legal and fiduciary responsibilities. Outside of board meetings, all trustees are encouraged to attend performances and other events to keep informed of the Theatre's activities. Training for trustees is provided as necessary.

**Organisation**

The board, which must be no less than three members nor more than twenty, administers the Charity and meets as necessary. Normally meetings are bi-monthly with an annual away-day. All trustees are expected to adhere to a Code of Conduct. Conflicts of interest must be recorded on an annual basis and declared at each meeting.

In December 2018 the board resolved to re-organise its activities into two sub-committees: a Finance and Resources Sub-Committee that has responsibility for finance, funding, risk and the capital project; and a People and Equalities Sub-Committee that has responsibility for human resources, diversity and inclusion. Both of the sub-committees have delegated authority from the board within specific terms of reference.

A Chief Executive is appointed by the board, to whom the trustees have delegated authority for operational matters within the overall strategy agreed by the board.

**Pay and remuneration for senior staff**

The remuneration of senior staff is determined on appointment, based upon comparable benchmarks, and subsequently adjusted in line with other staff pay. The board reviews staff pay annually and it is normally increased in accordance with average earnings and inflation, if resources allow.

**Related parties and co-operation with other organisations/charities**

None of our trustees receive remuneration or other benefit from their work with the Trust.

The Trust has worked in partnership over many years with major funders Arts Council England, Bolton Council and the Greater Manchester Combined Authority. Both the Arts Council and Bolton Council have committed significant funds to support the re-development of the Theatre. Bolton Council are the landlords of the theatre.

There is a strong relationship with Bolton at Home, who contribute an annual grant to the theatre as well as jointly delivering a range of community projects. These include youth and adult drama provision, and providing free or affordable tickets to thousands of residents.

There is a long standing relationship with the University of Bolton, and the theatre provides learning and observation opportunities for students in the School of Arts, particularly on the Theatre and Performance course, from which the Trust receives a fee. In May 2021, the University undertook a two year agreement to be the theatre's Principal Sponsor.

One of the trustees was engaged as an actor during the year and the trustees made unrestricted donations to the charity. Details are given in note 25 to the financial statements.

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**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The trustees (who are also directors of Octagon Theatre Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102) (second edition – October 2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

**STATEMENT OF DISCLOSURE TO AUDITORS**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**SMALL COMPANY PROVISIONS AND APPROVAL**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board of Trustees and signed on its behalf by:

*D J Knight*

D J Knight – Director

Date: 24/10/22

**INDEPENDENT AUDITORS REPORT  
TO THE MEMBERS AND TRUSTEES OF THE OCTAGON THEATRE TRUST LIMITED  
FOR THE YEAR ENDED MARCH 31 2022**

**Opinion**

We have audited the financial statements of The Octagon Theatre Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended March 31 2022 which comprise the Group and parent Charity Statements of Financial Activities, the Group, and parent Charity's Balance Sheets, the Group and Parent Charity's Statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at March 31 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

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

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the [directors' report] for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the [strategic report and the]<sup>7</sup> directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**INDEPENDENT AUDITORS REPORT  
TO THE MEMBERS AND TRUSTEES OF THE OCTAGON THEATRE TRUST LIMITED  
FOR THE YEAR ENDED MARCH 31 2022**

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, set out in the Directors' and Trustees' Annual Report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the directors and other management, and from our professional knowledge and experience of the charity sector and theatres in particular;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the company's remuneration policies.

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;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing the financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to the actual and potential litigation claims; and
- reviewing correspondence with relevant regulators and HMRC.

No instances of material non-compliance were identified. However, 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 directors and other management and the inspection of regulatory and legal correspondence, if any.

**INDEPENDENT AUDITORS REPORT  
TO THE MEMBERS AND TRUSTEES OF THE OCTAGON THEATRE TRUST LIMITED  
FOR THE YEAR ENDED MARCH 31 2022**

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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its 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 charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Peter Smith*

**Peter Smith BA FCA DChA– Senior Statutory Auditor**

For and on behalf of:  
HGA Accountants & Financial Consultants Ltd  
t/a Chittenden Horley - Chartered Accountants and Statutory Auditors  
The Wesley Centre  
Royce Road, Hulme  
Manchester M15 5BP

Date: 19/11/22



HGA Accountants & Financial Consultants Ltd t/a Chittenden Horley *is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

**OCTAGON THEATRE TRUST LIMITED**  
**GROUP STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)**  
**FOR THE YEAR ENDED MARCH 31 2022**

		Unrestricted				
	Notes	General Funds	Designated Funds	Restricted Funds	Total 2022	Total 2021
		£	£	£	£	£
<b>INCOME</b>						
<b>Incoming resources from generated funds:</b>						
Donations	2	958,141	-	284,852	<b>1,242,993</b>	2,360,379
Charitable activities	3	638,081	-	39,927	<b>678,008</b>	159,467
Other trading activities	4	257,194	-	-	<b>257,194</b>	106,686
Investment income - bank interest		134	-	-	<b>134</b>	2,001
<b>TOTAL INCOMING RESOURCES</b>		<u>1,853,550</u>	<u>-</u>	<u>324,779</u>	<u><b>2,178,329</b></u>	<u>2,628,533</u>
<b>EXPENDITURE</b>						
Costs of raising funds	6	300,020	-	-	<b>300,020</b>	112,826
Expenditure on charitable activities	7	1,378,003	228,299	765,727	<b>2,372,029</b>	1,545,080
<b>TOTAL EXPENDITURE</b>		<u>1,678,023</u>	<u>228,299</u>	<u>765,727</u>	<u><b>2,672,049</b></u>	<u>1,657,906</u>
<b>NET INCOME/(EXPENDITURE)</b>						
<b>BEFORE TRANSFERS</b>	10	175,527	(228,299)	(440,948)	<b>(493,720)</b>	970,627
Transfers between funds	17	<u>6,992</u>	<u>383,651</u>	<u>(390,643)</u>	<u>-</u>	<u>-</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>182,519</u>	<u>155,352</u>	<u>(831,591)</u>	<u><b>(493,720)</b></u>	<u>970,627</u>
<b>BEFORE TAXATION</b>		<u>182,519</u>	<u>155,352</u>	<u>(831,591)</u>	<u><b>(493,720)</b></u>	<u>970,627</u>
<b>TAXATION</b> - Theatre Tax Credit	5	<u>130,708</u>	<u>-</u>	<u>-</u>	<u><b>130,708</b></u>	<u>3,506</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>313,227</u>	<u>155,352</u>	<u>(831,591)</u>	<u><b>(363,012)</b></u>	<u>974,133</u>
<b>AFTER TAXATION - NET MOVEMENT IN FUNDS</b>		<u>313,227</u>	<u>155,352</u>	<u>(831,591)</u>	<u><b>(363,012)</b></u>	<u>974,133</u>
<b>TOTAL FUNDS BROUGHT FORWARD</b>	17	<u>580,361</u>	<u>910,629</u>	<u>1,026,700</u>	<u><b>2,517,690</b></u>	<u>1,543,557</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	17	<u>893,588</u>	<u>1,065,981</u>	<u>195,109</u>	<u><b>2,154,678</b></u>	<u>2,517,690</u>

The notes on pages 19 to 35 form part of these financial statements.



**OCTAGON THEATRE TRUST LIMITED**  
**CHARITY STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)**  
**FOR THE YEAR ENDED MARCH 31 2022**

		Unrestricted				
	Notes	General Funds £	Designated Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Incoming resources from generated funds:</b>						
Donations	2	958,141	-	284,852	<b>1,242,993</b>	2,360,379
Charitable activities	3	1,593,300	-	39,927	<b>1,633,227</b>	181,376
Other trading activities	4	118,646	-	-	<b>118,646</b>	53,330
Investment income - bank interest		134	-	-	<b>134</b>	2,001
<b>TOTAL INCOME</b>		<u>2,670,221</u>	<u>-</u>	<u>324,779</u>	<u><b>2,995,000</b></u>	<u>2,597,086</u>
<b>EXPENDITURE</b>						
<b>Costs of raising funds</b>	6	130,415	-	-	<b>130,415</b>	112,305
<b>Expenditure on charitable activities</b>	7	2,202,514	228,299	765,727	<b>3,196,540</b>	1,563,483
<b>TOTAL EXPENDITURE</b>		<u>2,332,929</u>	<u>228,299</u>	<u>765,727</u>	<u><b>3,326,955</b></u>	<u>1,675,788</u>
<b>NET INCOME/(EXPENDITURE)</b>						
<b>BEFORE TRANSFERS</b>		337,292	(228,299)	(440,948)	<b>(331,955)</b>	921,298
Transfers between funds	17	<u>6,992</u>	<u>383,651</u>	<u>(390,643)</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>		344,284	155,352	(831,591)	<b>(331,955)</b>	921,298
<b>TOTAL FUNDS BROUGHT FORWARD</b>	17	<u>565,061</u>	<u>910,629</u>	<u>1,026,700</u>	<u><b>2,502,390</b></u>	<u>1,581,092</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	17	<u>909,345</u>	<u>1,065,981</u>	<u>195,109</u>	<u><b>2,170,435</b></u>	<u>2,502,390</u>

The notes on pages 19 to 35 form part of these financial statements.

**OCTAGON THEATRE TRUST LIMITED**  
**GROUP BALANCE SHEET**  
**AS AT MARCH 31 2022**

	Notes	2022 £	2022 £	2021 £	2021 £
<b>FIXED ASSETS</b>					
Tangible Assets	11		935,796		287,558
<b>CURRENT ASSETS</b>					
Stock	13	7,671		239	
Debtors	14	764,461		412,522	
Cash at Bank and in Hand		<u>1,161,132</u>		<u>2,055,434</u>	
		1,933,264		2,468,195	
<b>CREDITORS</b>					
Amounts falling due in one year	15	<u>415,803</u>		<u>238,063</u>	
<b>NET CURRENT ASSETS</b>					
			<u>1,517,461</u>		<u>2,230,132</u>
			2,453,257		2,517,690
<b>CREDITORS</b>					
Amounts falling due in more than one year	16		<u>298,579</u>		<u>-</u>
<b>NET ASSETS</b>					
			<u>2,154,678</u>		<u>2,517,690</u>
<b>FUNDS</b>					
<b>Unrestricted charitable funds</b>					
General fund	17	1,036,416		678,685	
Designated fund	17	<u>1,065,981</u>		<u>910,629</u>	
			2,102,397		1,589,314
<b>Restricted charitable funds</b>					
	17		<u>195,109</u>		<u>1,026,700</u>
<b>Total charitable funds</b>			2,297,506		2,616,014
<b>Non charitable trading subsidiaries</b>					
			<u>(142,828)</u>		<u>(98,324)</u>
<b>TOTAL FUNDS</b>			<u>2,154,678</u>		<u>2,517,690</u>

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

The notes on pages 19 to 35 form part of these financial statements.

**Approved by the Board of Directors and authorised for issue on: 24/10/22**  
**And signed on their behalf by:**

*D J Knight*

D J Knight – Director

Company registration number: 00882226

**OCTAGON THEATRE TRUST LIMITED**  
**CHARITY BALANCE SHEET**  
**AS AT MARCH 31 2022**

	Notes	2022 £	2022 £	2021 £	2021 £
<b>FIXED ASSETS</b>					
Tangible Assets	11		<b>934,198</b>		286,973
Investments	12		<u><b>1,100</b></u>		<u>1,100</u>
			<b>935,298</b>		288,073
<b>CURRENT ASSETS</b>					
Stock	13	-		-	
Debtors	14	<b>779,305</b>		404,865	
Cash at Bank and in Hand		<u><b>1,154,678</b></u>		<u>2,045,194</u>	
		<b>1,933,983</b>		2,450,059	
<b>CREDITORS</b>					
Amounts falling due in one year	15	<u><b>400,267</b></u>		<u>235,742</u>	
<b>NET CURRENT ASSETS</b>					
			<u><b>1,533,716</b></u>		<u>2,214,317</u>
			<b>2,469,014</b>		2,502,390
<b>CREDITORS</b>					
Amounts falling due in more than one year	16		<u><b>298,579</b></u>		<u>-</u>
<b>NET ASSETS</b>					
			<u><b>2,170,435</b></u>		<u>2,502,390</u>
<b>FUNDS</b>					
Unrestricted					
General fund	17	<b>909,345</b>		565,061	
Designated funds	17	<u><b>1,065,981</b></u>		<u>910,629</u>	
			<b>1,975,326</b>		1,475,690
Restricted	17		<u><b>195,109</b></u>		<u>1,026,700</u>
<b>TOTAL FUNDS</b>			<u><b>2,170,435</b></u>		<u>2,502,390</u>

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

The notes on pages 19 to 35 form part of these financial statements.

**Approved by the Board of Directors and authorised for issue on: 24/10/22**  
**And signed on their behalf by:**

*D J Knight*

D J Knight – Director

Company registration number: 00882226

**OCTAGON THEATRE TRUST LIMITED**  
**GROUP AND CHARITY STATEMENT OF CASH FLOWS**  
**AS AT MARCH 31 2022**

		<b>Group</b>	<b>Group</b>	<b>Charity</b>	<b>Charity</b>
		<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cash used in operating activities</b>	22	<b>(446,196)</b>	<b>873,423</b>	<b>(443,705)</b>	<b>875,516</b>
<b>Cashflows from investing activities</b>					
Interest and dividends		134	2,001	134	2,001
Purchase of tangible fixed assets		(746,819)	(263,227)	(745,524)	(263,227)
Proceeds of sale of fixed assets		-	-	-	-
Payments to acquire investments		-	-	-	-
<b>Cash provided by/(used in) investing activities</b>		<b>(746,685)</b>	<b>(261,226)</b>	<b>(745,390)</b>	<b>(261,226)</b>
<b>Cashflows from financing activities</b>					
Proceeds from new borrowings		298,579	-	298,579	-
Repayment of borrowing		-	(3,104)	-	(3,104)
<b>Cash from financing activities</b>		<b>298,579</b>	<b>(3,104)</b>	<b>298,579</b>	<b>(3,104)</b>
<b>Increase/(decrease) in cash &amp; cash equivalents in the year</b>		<b>(894,302)</b>	<b>609,093</b>	<b>(890,516)</b>	<b>611,186</b>
<b>Cash and cash equivalents brought forward</b>		<b>2,055,434</b>	<b>1,446,341</b>	<b>2,045,194</b>	<b>1,434,008</b>
<b>Cash and cash equivalents carried forward</b>		<b>1,161,132</b>	<b>2,055,434</b>	<b>1,154,678</b>	<b>2,045,194</b>
<b>Cash and cash equivalents consist of:</b>					
Cash at bank and in hand		1,161,132	2,055,434	1,154,678	2,045,194
Current asset investments		-	-	-	-
		<b>1,161,132</b>	<b>2,055,434</b>	<b>1,154,678</b>	<b>2,045,194</b>

Movements in net debt are shown in note 23.

The notes on pages 19 to 35 form part of these financial statements.

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**1 ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared: under the historic cost convention; in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective January 1 2019 (second edition – October 2019); FRS102; and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS102.

The accounts are prepared in £ sterling, which is the functional currency.

**Going Concern**

The Trustees have addressed the impact of COVID 19 and the delays to the capital project in their annual report, and have concluded that there are no issues concerning the Group's ability to continue as a going concern.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Income recognition**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following applies to particular types of income:

**Grants**, whether of a capital or revenue nature, are recognised when the charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

**Donations** from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

**Earned income** is measured at the fair value of the consideration received or receivable for services and goods supplied, net of discounts and VAT.

**In kind support** consisting of donated facilities is recognised as income when the charity has control over the facilities, the receipt of economic benefit is probable and can be measured reliably. The facilities are recognised at the value the charity would have been prepared to pay for them. A corresponding amount is included as expenditure.

**Deferred income**

Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

**Expenditure and irrecoverable VAT**

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

Costs of raising funds                      including those associated with fundraising activities, managing investments and commercial trading by the subsidiary company.

Charitable activities                      costs of undertaking the work of the charity.

The charity is registered for VAT and is able to recover some of the input tax charged as it relates to Vatable supplies. Costs are stated net of the recoverable amount of VAT, were VAT has been charged.

**Allocation of support costs**

Support costs are those functions which assist the work of the charity either by supporting the delivery of charitable activities or by supporting the generation of funds. They include property costs, back office functions, staff costs, depreciation, finance costs and professional fees. The basis of allocations is set out in note 8.

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**1 ACCOUNTING POLICIES (continued)**

**Pension contributions**

The charity operates a defined contribution pension scheme for its employees, agreeing the contribution rates with each individual. The contributions are paid to a third party who invests the contributions in a money purchase plan. Contributions are charged to the SoFA as they become payable.

The charity also makes contributions to the actors Equity Pension fund in respect of the relevant qualifying workers. Contributions are charged to the SoFA as they become payable

**Tangible fixed assets and depreciation**

Individual fixed assets costing more than £500 are capitalised at cost and are depreciated over their estimated useful lives on a straight-line basis as set out below.

Depreciation rates are as follows:

Long leasehold land and buildings	5%
Premises refurbishment	2% on additions pre 31/03/14, 4% on additions thereafter
Fixtures, fittings & equipment*	10% and 20%,
Computer equipment	25%

\*assets acquired under finance lease are depreciated over the life of the leases, which equates to 5 years on current agreements.

**Debtors**

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

**Financial instruments**

The charity has only basic financial instruments which are initially recorded at cost, subsequently measured at their settlement value.

**Group financial statements**

The financial statements consolidate the results of the charity and its wholly owned subsidiaries, Octagon Catering services Ltd and Octagon Theatre Productions Ltd, on a line by line basis.

**Capital grants**

Capital grants received by the charity are accounted for as income in the period in which the charity becomes entitled to receive the income and included within restricted reserves until the conditions of the grant have been fulfilled.

Within the subsidiary companies, Capital grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Capital grants are recognised using the accrual model and the performance model. Under the accrual model, capital grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

The treatment of capital grants received by the subsidiary companies is aligned with that of the charity on consolidation and grants were received from the charity are eliminated on consolidation.

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
<b>2 DONATIONS</b>						
<b>Revenue grants:</b>						
Arts Council England	625,359	-	<b>625,359</b>	625,359	-	<b>625,359</b>
Bolton MBC	188,652	-	<b>188,652</b>	145,380	-	<b>145,380</b>
GMCA	107,200	-	<b>107,200</b>	107,200	-	<b>107,200</b>
The Oglesby Charitable Trust	-	736	<b>736</b>	-	7,500	<b>7,500</b>
	<u>921,211</u>	<u>736</u>	<u><b>921,947</b></u>	<u>877,939</u>	<u>7,500</u>	<u><b>885,439</b></u>
<b>COVID related funding:</b>						
ACE - CRF1	-	-	-	-	620,232	<b>620,232</b>
ACE - CRF2	-	148,500	<b>148,500</b>	-	-	-
ACE - CRF3	-	123,600	<b>123,600</b>	-	-	-
Esmee Fairbairn	-	-	-	7,500	-	<b>7,500</b>
Garfield Weston Foundation	-	-	-	-	320,000	<b>320,000</b>
Granada Foundation	-	-	-	3,500	-	<b>3,500</b>
Wolfson Foundation	-	-	-	140,000	-	<b>140,000</b>
The Lindbury Trust	-	-	-	-	40,000	<b>40,000</b>
HMRC - CJRS	3,809	-	<b>3,809</b>	217,985	-	<b>217,985</b>
	<u>3,809</u>	<u>272,100</u>	<u><b>275,909</b></u>	<u>368,985</u>	<u>980,232</u>	<u><b>1,349,217</b></u>
<b>Donations &amp; legacies</b>						
General donations	33,121	-	<b>33,121</b>	95,572	-	<b>95,572</b>
In kind support	-	-	-	9,320	-	<b>9,320</b>
Capital project	-	12,016	<b>12,016</b>	-	20,831	<b>20,831</b>
Learning & participation	-	-	-	-	-	-
	<u>33,121</u>	<u>12,016</u>	<u><b>45,137</b></u>	<u>104,892</u>	<u>20,831</u>	<u><b>125,723</b></u>
<b>Total for group</b>	958,141	284,852	<b>1,242,993</b>	1,351,816	1,008,563	<b>2,360,379</b>
Donation from OCS Ltd	-	-	-	-	-	-
<b>Total for company</b>	<u>958,141</u>	<u>284,852</u>	<u><b>1,242,993</b></u>	<u>1,351,816</u>	<u>1,008,563</u>	<u><b>2,360,379</b></u>

Allocations to designated funds are shown in note 17.

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

2022			2021		
Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
£	£	£	£	£	£

**3 INCOME FROM CHARITABLE ACTIVITIES**

**Group**

**Theatre and performance**

Charity Income (as below)	613,989	4,818	<b>618,807</b>	18,420	-	<b>18,420</b>
Octagon Theatre Productions	825,851	-	<b>825,851</b>	19,661	-	<b>19,661</b>
Eliminated on consolidation intercompany charges	(825,851)	-	<b>(825,851)</b>	(19,661)	-	<b>(19,661)</b>
	<u>613,989</u>	<u>4,818</u>	<u><b>618,807</b></u>	<u>18,420</u>	<u>-</u>	<u><b>18,420</b></u>

**Learning and Participation**

Charity Income (as below)	24,092	35,109	<b>59,201</b>	23,593	117,454	<b>141,047</b>
	<u>24,092</u>	<u>35,109</u>	<u><b>59,201</b></u>	<u>23,593</u>	<u>117,454</u>	<u><b>141,047</b></u>

**Total per Group**

	<u>638,081</u>	<u>39,927</u>	<u><b>678,008</b></u>	<u>42,013</u>	<u>117,454</u>	<u><b>159,467</b></u>
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**Charity**

**Theatre and performance**

Box office	536,049	-	<b>536,049</b>	6,654	-	<b>6,654</b>
Grants	-	4,818	<b>4,818</b>	-	-	-
Co-productions	56,754	-	<b>56,754</b>	4,000	-	<b>4,000</b>
Royalties receivable	3,185	-	<b>3,185</b>	-	-	-
Other income	12,263	-	<b>12,263</b>	7,766	-	<b>7,766</b>
Ancillary trading	5,738	-	<b>5,738</b>	-	-	-
	<u>613,989</u>	<u>4,818</u>	<u><b>618,807</b></u>	<u>18,420</u>	<u>-</u>	<u><b>18,420</b></u>

**Production sub contractor fees**

(eliminated on consolidation)	955,219	-	<b>955,219</b>	21,909	-	<b>21,909</b>
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**Learning and Participation**

Fees & earned income	24,092	-	<b>24,092</b>	23,593	-	<b>23,593</b>
Grants	-	35,109	<b>35,109</b>	-	117,454	<b>117,454</b>
	<u>24,092</u>	<u>35,109</u>	<u><b>59,201</b></u>	<u>23,593</u>	<u>117,454</u>	<u><b>141,047</b></u>

**Total per Charity**

	<u>1,593,300</u>	<u>39,927</u>	<u><b>1,633,227</b></u>	<u>63,922</u>	<u>117,454</u>	<u><b>181,376</b></u>
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**4 INCOME FROM OTHER TRADING ACTIVITIES**

Sponsorship	75,099	-	<b>75,099</b>	44,205	-	<b>44,205</b>
Management charge/rent	40,000	-	<b>40,000</b>	5,000	-	<b>5,000</b>
Hire income	3,547	-	<b>3,547</b>	4,125	-	<b>4,125</b>
<b>Per charity</b>	<u>118,646</u>	<u>-</u>	<u><b>118,646</b></u>	<u>53,330</u>	<u>-</u>	<u><b>53,330</b></u>

**Less eliminated on consolidation:**

Management charge/rent to OCS Ltd	(40,000)	-	<b>(40,000)</b>	(5,000)	-	<b>(5,000)</b>
Add subsidiary income OCS Ltd	178,548	-	<b>178,548</b>	58,356	-	<b>58,356</b>
<b>Per group</b>	<u>257,194</u>	<u>-</u>	<u><b>257,194</b></u>	<u>106,686</u>	<u>-</u>	<u><b>106,686</b></u>



**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**5 TRADING SUBSIDIARIES**

	<b>Octagon Catering Services Ltd</b>		<b>Octagon Theatre Productions Ltd</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Turnover	<b>153,373</b>	99	<b>825,851</b>	19,661
Cost of sales	<b>166,808</b>	44,693	<b>955,219</b>	21,909
Gross profit	<b>(13,435)</b>	(44,594)	<b>(129,368)</b>	(2,248)
Administration Expenses	<b>56,244</b>	26,552	<b>1,340</b>	1,258
Operating profit/loss	<b>(69,679)</b>	(71,146)	<b>(130,708)</b>	(3,506)
Other income	<b>25,175</b>	58,257	-	-
Net profit/loss before taxation	<b>(44,504)</b>	(12,889)	<b>(130,708)</b>	(3,506)
(Tax charge)/Theatre tax credit	-	-	<b>130,708</b>	3,506
Net profit after taxation	<b>(44,504)</b>	(12,889)	-	-
Total assets	<b>18,452</b>	16,471	<b>130,709</b>	121,609
Total liabilities (excluding capital grant)	<b>(161,280)</b>	(114,795)	<b>(129,709)</b>	(120,609)
Capital grant	-	-	-	-
Net funds	<b>(142,828)</b>	(98,324)	<b>1,000</b>	1,000

**Octagon Catering Services Ltd (OCS LTD)**

The subsidiary operates the bar and catering services within the theatre. On consolidation the management charge of £40,000 (2021 - £5,000) is eliminated. .

**Octagon Theatre Productions Ltd (OTP)**

OTP has been formed to undertake the production, running and closure of in house theatrical productions on behalf of the charity. It subcontracts the production work back to the charity, and is eligible to claim theatre tax relief.

OTP's income derives from charity. On consolidation income from the charity of £825,851 (2021 -19,661) is eliminated against theatre production costs and the direct costs of £955,219 (2021 - £21,909) are eliminated against production subcontractor fees in the charity.

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

6 COSTS OF RAISING FUNDS	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Inter company provision re OCS	13,447	-	<b>13,447</b>	65,724	-	<b>65,724</b>
Support costs	116,968	-	<b>116,968</b>	46,581	-	<b>46,581</b>
<b>Per charity</b>	130,415	-	<b>130,415</b>	112,305	-	<b>112,305</b>
OCS	223,052	-	<b>223,052</b>	71,245	-	<b>71,245</b>
Less provision	(13,447)	-	<b>(13,447)</b>	(65,724)	-	<b>(65,724)</b>
Less management charge	(40,000)	-	<b>(40,000)</b>	(5,000)	-	<b>(5,000)</b>
<b>Total fundraising in Group</b>	<b>300,020</b>	<b>-</b>	<b>300,020</b>	<b>112,826</b>	<b>-</b>	<b>112,826</b>

No costs were charged to designated or restricted funds in either year.

**7 CHARITABLE EXPENDITURE**

Theatre and performance	2,874,879	1,000	<b>2,875,879</b>	1,213,136	-	<b>1,213,136</b>
Learning and participation	292,946	51,867	<b>344,813</b>	208,118	93,879	<b>301,997</b>
Capital project	-	(24,152)	<b>(24,152)</b>	-	48,350	<b>48,350</b>
Charged to restricted fund	(737,012)	737,012	<b>-</b>	(291,140)	291,140	<b>-</b>
<b>Per charity</b>	<b>2,430,813</b>	<b>765,727</b>	<b>3,196,540</b>	<b>1,130,114</b>	<b>433,369</b>	<b>1,563,483</b>

**Less eliminated on consolidation:**

Grant to OCS Ltd	-	-	<b>-</b>	-	-	<b>-</b>
Charges from OTP Ltd	(824,511)	-	<b>(824,511)</b>	(18,403)	-	<b>(18,403)</b>
<b>Per group</b>	<b>1,606,302</b>	<b>765,727</b>	<b>2,372,029</b>	<b>1,111,711</b>	<b>433,369</b>	<b>1,545,080</b>

Charges to restricted funds in respect of grants shown in note 2 have been made. Details of the grants are shown in note 16.

Depreciation of £28,069 (2021 - £37,546), loss on disposal of fixed assets £nil (2021 - £8,381), have been charged to designated funds as shown in note 16.

Expenditure in the charity is analysed as follows:

	Direct costs	Direct salaries & actors' fees	Support costs	Total
2021/22	£	£	£	£
Theatre and performance	1,248,853	227,906	1,399,120	<b>2,875,879</b>
Learning and participation	47,142	24,524	273,147	<b>344,813</b>
Capital project	(24,152)	-	-	<b>(24,152)</b>
	<b>1,271,843</b>	<b>252,430</b>	<b>1,672,267</b>	<b>3,196,540</b>
2020/21				
Theatre and performance	109,377	355,986	747,773	<b>1,213,136</b>
Learning and participation	15,045	156,279	130,673	<b>301,997</b>
Capital project	48,350	-	-	<b>48,350</b>
	<b>172,772</b>	<b>512,265</b>	<b>878,446</b>	<b>1,563,483</b>

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**8 SUPPORT & GOVERNANCE COSTS**

	Marketing	Governance	Costs of raising funds	Theatre & Performance	Learning & participation	Total 2022
	£	£	£	£	£	£
<b>2021/22</b>						
Salaries	-	55,257	110,515	773,604	165,772	<b>1,105,148</b>
Marketing costs	83,215	-	-	-	-	<b>83,215</b>
Establishment costs	2,574	10,295	2,574	180,166	61,771	<b>257,380</b>
Insurance	-	-	-	24,095	8,032	<b>32,127</b>
Legal & professional	-	7,239	-	30,838	1,623	<b>39,700</b>
Administration costs	13,194	3,299	3,299	105,556	9,896	<b>135,244</b>
Finance charges	1,375	344	344	10,999	1,031	<b>14,093</b>
Staff training and recruitment	947	237	237	7,579	711	<b>9,711</b>
Loss on disposal of fixed assets	-	-	-	-	-	-
Depreciation	1,818	-	-	95,479	15,321	<b>112,618</b>
	103,123	76,671	116,968	1,228,316	264,157	<b>1,789,236</b>
Allocation of marketing support costs	(103,123)	-	-	97,967	5,156	-
Allocation of governance costs	-	(76,671)	-	72,837	3,834	-
	-	-	116,968	1,399,120	273,147	<b>1,789,236</b>

**2020/21**

**Support costs**

Support salaries costs	85,289	24,356	43,103	315,123	80,864	<b>548,735</b>
Marketing costs	24,434	-	-	-	-	<b>24,434</b>
Establishment costs	881	3,523	881	101,010	21,139	<b>127,434</b>
Insurance	-	-	-	15,047	5,016	<b>20,063</b>
Legal & professional	-	5,531	-	61,066	3,214	<b>69,811</b>
Administration costs	8,721	2,180	2,180	69,769	6,541	<b>89,391</b>
Finance charges	226	56	56	1,806	169	<b>2,313</b>
Staff training and recruitment	1,442	360	361	11,532	1,081	<b>14,776</b>
Loss on disposal of fixed assets	-	-	-	-	-	-
Depreciation	631	-	-	22,671	4,768	<b>28,070</b>
	121,624	36,006	46,581	598,024	122,792	<b>925,027</b>
Allocation of marketing support costs	(121,624)	-	-	115,543	6,081	-
Allocation of governance costs	-	(36,006)	-	34,206	1,800	-
	-	-	46,581	747,773	130,673	<b>925,027</b>

Support costs are allocated on the following basis:

Area	basis	comment
Marketing costs	estimate of usage	net of any direct attribution
Support salaries	estimate of time spent	
Other costs:		
Property	Space	
Irrecoverable VAT (after any direct attribution)	Head count	net of any direct attribution
All other costs	estimate of usage/head count	
Depreciation	estimate of usage	

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**9 STAFF INFORMATION**

**2022**

**2021**

**£**

**£**

**a Employees**

Salaries and wages	1,146,400	1,003,701
Pension costs	22,369	22,655
Employer's NI contributions	81,825	76,456
	<u>1,250,594</u>	<u>1,102,812</u>

Staff costs for the Trading subsidiary included above	<u>120,501</u>	<u>43,629</u>
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Employees earning more than £60,000pa (excluding employer's nic and pension contributions):

**number**

**number**

£60,000 - £70,000	<u>1</u>	<u>1</u>
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The key management of the charity comprise the trustees and senior staff (as set out on page1) and the key management of the group are the same people plus catering manager. The trustees do not receive any remuneration for their services

The total employee benefits of other key management were as follows:

**£**

**£**

Charity	<u>364,190</u>	<u>371,802</u>
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Group	<u>372,569</u>	<u>398,280</u>
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**b Actors and stage managers**

**£**

**£**

Fees	223,138	1,818
Pension contributions (Equity)	4,348	-
	<u>227,486</u>	<u>1,818</u>

**c Group average staff numbers**

The average number of employees, excluding the actors and stage manager referred to above, was as follows:-

	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>Average</b>	<b>Average FTE</b>	<b>Average</b>	<b>average FTE</b>
	<b>number</b>	<b>number</b>	<b>number</b>	<b>number</b>
Employees	72	45	52	38
	<u>72</u>	<u>45</u>	<u>52</u>	<u>38</u>

**10 NET INCOME/(EXPENDITURE) BEFORE TRANSFERS (for the Group)**

This is stated after charging/(crediting):

**£**

**£**

Auditors remuneration:-

Audit fees	4,100	4,000
Accountancy fees	6,568	3,329
Finance lease charges	-	111
Depreciation of fixed assets	98,581	31,082
Trustees remuneration	-	-
Trustees expenses	<u>-</u>	<u>-</u>

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**11 TANGIBLE FIXED ASSETS**

<b>GROUP</b>	<b>Leasehold Property £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
As at April 1 2021	-	877,899	98,332	976,231
Additions	597,435	147,424	1,960	746,819
Disposals	-	(381,317)	-	(381,317)
As at 31 March 2022	597,435	644,006	100,292	1,341,733
<b>Depreciation</b>				
As at April 1 2021	-	615,809	72,864	688,673
Charge for the year	58,085	30,453	10,043	98,581
Disposals	-	(381,317)	-	(381,317)
As at 31 March 2022	58,085	264,945	82,907	405,937
<b>Net Book Value</b>				
As at 31 March 2022	<b>539,350</b>	<b>379,061</b>	<b>17,385</b>	<b>935,796</b>
As at 31 March 2021	-	262,090	25,468	287,558
<b>COMPANY</b>				
<b>Cost or valuation</b>				
As at April 1 2021	-	876,580	98,332	974,912
Additions	597,435	146,129	1,960	745,524
Disposals	-	(381,317)	-	(381,317)
As at 31 March 2022	597,435	641,392	100,292	1,339,119
<b>Depreciation</b>				
As at April 1 2021	-	615,075	72,864	687,939
Charge for the year	58,085	30,171	10,043	98,299
Disposals	-	(381,317)	-	(381,317)
As at 31 March 2022	58,085	263,929	82,907	404,921
<b>Net Book Value</b>				
As at 31 March 2022	<b>539,350</b>	<b>377,463</b>	<b>17,385</b>	<b>934,198</b>
As at 31 March 2021	-	261,505	25,468	286,973

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**12 FIXED ASSET INVESTMENTS**

The charity has owns 100% of the issued share capital of the following companies:

Name	Company no.	Investment		Activity
		2022	2021	
		£	£	
Octagon Catering Services Ltd	2095489	100	100	Catering & bar services
Octagon Theatre Productions Ltd	9260244	1,000	1,000	Theatre productions
		<u>1,100</u>	<u>1,100</u>	

GROUP	GROUP	COMPANY	COMPANY
2022	2021	2022	2021
£	£	£	£

**13 STOCKS**

Stock of goods for resale	7,671	239	-	-
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**14 DEBTORS**

Trade debtors	7,854	19,718	7,854	19,495
Grants and income receivable	537,337	328,114	537,337	322,930
Octagon Catering Services Ltd	-	-	140,619	113,724
Inter company provision re OCS	-	-	(127,171)	(113,724)
Octagon Theatre Productions Ltd	-	-	128,369	1,307
VAT refundable	-	26,699	6,465	26,649
Other debtors	321	891	321	891
Theatre Tax Credit receivable	130,709	3,507	-	-
Prepayments	88,240	33,593	85,511	33,593
	<u>764,461</u>	<u>412,522</u>	<u>779,305</u>	<u>404,865</u>

**15 CREDITORS falling due within one year**

Trade creditors	69,444	82,012	66,518	81,964
Other taxes and social security	1,847	21,141	1,663	21,141
Accruals	200,667	83,226	188,241	80,953
Other creditors	36,599	29,016	36,599	29,016
Income and grants in advance	107,246	22,668	107,246	22,668
	<u>415,803</u>	<u>238,063</u>	<u>400,267</u>	<u>235,742</u>

All income and grants in advance brought forward are released in the subsequent year.

**16 CREDITORS falling due within more than one year**

Bolton Council re lease premium	298,579	-	298,579	-
	<u>298,579</u>	<u>-</u>	<u>298,579</u>	<u>-</u>

The balance of the lease premium is payable in seven equal annual instalments commencing in April 2023. No interest is payable

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**17 STATEMENT OF FUNDS**

Group	2020/21				b/f and c/f 31/03/2021 01/04/2021	2021/22			
	01/04/2020	Income	Expenditure	TTR & Transfers		Income	Expenditure	TTR & Transfers	31/03/2021
	£	£	£	£	£	£	£	£	£
<b>Unrestricted funds:</b>									
General fund	406,390	1,501,326	(1,196,468)	(130,887)	580,361	1,853,550	(1,678,023)	137,700	893,588
Designated Funds (see details below)	528,508	1,190	(28,069)	409,000	910,629	-	(228,299)	383,651	1,065,981
	934,898	1,502,516	(1,224,537)	278,113	1,490,990	1,853,550	(1,906,322)	521,351	1,959,569
<b>Restricted Funds:</b>									
As below	608,659	1,126,017	(433,369)	(274,607)	1,026,700	324,779	(765,727)	(390,643)	195,109
<b>Total Funds</b>	1,543,557	2,628,533	(1,657,906)	3,506	2,517,690	2,178,329	(2,672,049)	130,708	2,154,678

**Funds analysed between charitable and non-charitable:**

Charity unrestricted and designated  
Add back provision on inter company eliminated on consolidation  
Charity restricted  
Trading subsidiaries

2022	2021
£	£
1,975,326	1,475,690
127,171	113,724
195,109	1,026,700
2,297,606	2,616,114
(142,828)	(98,324)
2,154,778	2,517,790

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**17 STATEMENT OF FUNDS (continued)**

COMPANY	2020/21			b/f and c/f			2021/22		
	01/04/2020	Income	Expenditure	TTR & Transfers	31/03/2021	01/04/2021	Income	Expenditure	TTR & Transfers
	£	£	£	£	£	£	£	£	£
General fund	443,925	1,469,879	(1,214,350)	(134,393)	565,061	565,061	2,670,221	(2,332,929)	6,992
<b>Designated funds:</b>									
Invested in fixed assets	52,915	-	(28,069)	263,227	288,073	288,073	-	(98,299)	745,524
Programme support	30,000	-	-	-	30,000	30,000	-	-	-
Workshop removal	-	-	-	-	-	-	-	-	21,467
Covid Recovery	-	-	-	130,000	130,000	130,000	-	(130,000)	-
Capital project	285,497	1,190	-	15,773	302,460	302,460	-	-	(302,460)
Capital project - reserves	70,000	-	-	-	70,000	70,000	-	-	(66,834)
Capital replacement unallocated	90,096	-	-	-	90,096	90,096	-	-	(14,046)
	528,508	1,190	(28,069)	409,000	910,629	910,629	-	(228,299)	383,651
<b>Total unrestricted funds</b>	972,433	1,471,069	(1,242,419)	274,607	1,475,690	1,475,690	2,670,221	(2,561,228)	390,643
<b>Restricted Funds:</b>									
The Oglesby Charitable Trust	-	7,500	(7,500)	-	-	-	736	(736)	-
University of Bolton	13,726	-	(13,726)	-	-	-	-	-	-
<b>COVID related funding:</b>									
ACE - CRF1	-	620,232	(229,914)	(80,000)	310,318	310,318	-	(310,318)	-
ACE - CRF2	-	-	-	-	-	-	148,500	(102,358)	(46,142)
ACE - CRF3	-	-	-	-	-	-	123,600	(123,600)	-
Garfield Weston Foundation	-	320,000	-	-	320,000	320,000	-	(200,000)	-
The Lindbury Trust	-	40,000	(40,000)	-	-	-	-	-	-
Capital Project Grants & donations	526,959	20,831	(48,350)	(191,107)	308,333	308,333	12,016	24,152	(344,501)
	540,685	1,008,563	(339,490)	(271,107)	938,651	938,651	284,852	(712,860)	(390,643)
<b>Project funds</b>									
Theatre	-	-	-	-	-	-	4,818	(1,000)	-
Learning & participation	67,974	117,454	(93,879)	(3,500)	88,049	88,049	35,109	(51,867)	-
	67,974	117,454	(93,879)	(3,500)	88,049	88,049	39,927	(52,867)	-
<b>Total restricted funds</b>	608,659	1,126,017	(433,369)	(274,607)	1,026,700	1,026,700	324,779	(765,727)	(390,643)
<b>Total Funds</b>	1,581,092	2,597,086	(1,675,788)	-	2,502,390	2,502,390	2,995,000	(3,326,955)	-



**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**17 STATEMENT OF FUNDS (continued)**

	2020/21				b/f and c/f		2021/22			
	01/04/2020	Income	Expenditure	TTR & Transfers	31/03/2021	01/04/2021	Income	Expenditure	TTR & Transfers	31/03/2021
	£	£	£	£	£	£	£	£	£	£
<b>Theatre</b>										
LGBT Foundation	-	-	-	-	-	-	4,818	(1,000)	-	3,818
	-	-	-	-	-	-	4,818	(1,000)	-	3,818
<b>Learning and participation</b>										
IGEN Trust	34,029	21,468	(11,556)	-	43,941	-	-	(23,095)	-	20,846
Oglesby	10,000	-	(10,000)	-	-	-	-	-	-	-
Bolton CVS - Ambition for Aging	-	-	-	-	-	-	-	-	-	-
Bolton CVS - Health and Wellbeing	6,651	-	-	-	6,651	-	-	(1,165)	-	5,486
D'Oyly Carte	3,500	-	-	(3,500)	-	-	-	-	-	-
The Ragdoll Foundation	-	-	-	-	-	-	12,000	(2,312)	-	9,688
Provincial/Walsh Trust for Bolton	-	-	-	-	-	-	2,500	-	-	2,500
HM Government/National Lottery Community Fund - Building Stronger Communities	-	54,768	(54,768)	-	-	-	-	-	-	-
National Lottery Community Fund - ReAct	13,794	41,218	(17,555)	-	37,457	-	20,609	(25,295)	-	32,771
	67,974	117,454	(93,879)	(3,500)	88,049	-	35,109	(51,867)	-	71,291

Analysis of restricted project grants

**Theatre**

LGBT Foundation

**Learning and participation**

IGEN Trust

Oglesby

Bolton CVS - Ambition for Aging

Bolton CVS - Health and Wellbeing

D'Oyly Carte

The Ragdoll Foundation

Provincial/Walsh Trust for Bolton

HM Government/National Lottery Community

Fund - Building Stronger Communities

National Lottery Community Fund - ReAct

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**17 STATEMENT OF FUNDS (continued)**

**Transfers 2021/22**

The programme fund was re-designated in the year to support costs in 22/23.

A new designated fund has been created to cover the costs of moving out of the old workshop in early 22/23.

Transfers have been made to the designated fund for investment in fixed assets, as detailed below, so that the closing balance equals the net book value of fixed assets at the year end.

	<b>Rebuild Reserves</b>	<b>Investment in fixed assets</b>	<b>New Designations</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General fund	46,142	(17,683)	(21,467)	<b>6,992</b>
Designated - invested in Fixed assets	-	745,524	-	<b>745,524</b>
Designated - workshop removal	-	-	21,467	<b>21,467</b>
Designated - capital project	-	(302,460)	-	<b>(302,460)</b>
Designated - capital reserve	-	(66,834)	-	<b>(66,834)</b>
Designated - capital replacement	-	(14,046)	-	<b>(14,046)</b>
ACE CRF1	(46,142)	-	-	<b>(46,142)</b>
Learning and participation	-	-	-	-
Capital Project Grants & donations	-	(344,501)	-	<b>(344,501)</b>
	-	-	-	-

**Transfers 2020/21**

A transfer to the designated fund for investment in fixed assets has been made equal to the additions in the year.

The programme fund was re-designated in the year to support costs in 21/22.

A transfer has been made designated to meet the ongoing costs of COVID recovery.

A transfer has been made from the general funds to the designated capital project fund to ensure that taken together with the restricted capital funds sufficient monies are available to meet the costs of the capital project.

	<b>Reclassified</b>	<b>Disposal</b>	<b>Investment in</b>	<b>Revenue</b>	
	<b>£</b>	<b>theatre lease</b>	<b>fixed assets</b>	<b>support</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General fund	3,500	80,000	(72,120)	(145,773)	<b>(134,393)</b>
Designated - invested in Fixed assets			263,227	-	<b>263,227</b>
Designated - Covid recovery			-	130,000	<b>130,000</b>
Designated - capital project				15,773	<b>15,773</b>
ACE CRF1		(80,000)	-	-	<b>(80,000)</b>
Capital Project Grants & donations	(3,500)	-	-	-	<b>(3,500)</b>
Refurbishment 2013			(191,107)	-	<b>(191,107)</b>
	-	-	-	-	-

**Restricted funds**

Garfield Weston Foundation	To meet the ongoing costs of the pandemic, both capital and revenue.
LGBT Foundation	Towards ongoing project costs
IGEN Trust	Towards the Academy project
Bolton CVS - Health and Wellbeing	Towards community health and wellbeing
National Lottery Community Fund - ReAct	Towards work with over 50s.
Provincial/Walsh Trust for Bolton	Towards the Academy project
It is expected that all the above funds will be utilised in the 22/23	

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**18 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

***Company fund balances at March 31 2022***

are represented by:-

	Unrestricted funds		Restricted	Total
	General	Designated	Funds	
	£	£	£	£
Fixed assets	-	935,298	-	935,298
Net current assets	1,207,924	130,683	195,109	1,533,716
Creditors due in more than one year	(298,579)	-	-	(298,579)
	<u>909,345</u>	<u>1,065,981</u>	<u>195,109</u>	<u>2,170,435</u>

***Company fund balances at March 31 2021***

are represented by:-

	Unrestricted funds		Restricted	Total
	General	Designated	Funds	
	£	£	£	£
Fixed assets	-	288,073	-	288,073
Net current assets	565,061	622,556	1,026,700	2,214,317
Creditors due in more than one year	-	-	-	-
	<u>565,061</u>	<u>910,629</u>	<u>1,026,700</u>	<u>2,502,390</u>

**Free Reserves:**

	2022	2021
	£	£
Net current assets	<u>1,207,924</u>	<u>565,061</u>

**19 CONSTITUTION**

The Company is limited by guarantee and does not have a share capital. In the event of the Company being wound up the members are committed to contributing £1 each.

**20 TAXATION**

The company is a registered charity and is entitled to claim annual exemption from UK corporation tax under sections 466 to 477 of the Corporation Tax Act 2010.

**21 CAPITAL COMMITMENTS**

The company had no capital commitments at the year end (2021 - none).

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**22 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Net income/(expenditure)	(363,012)	974,133	(331,955)	921,298
Add back depreciation	98,581	31,082	98,299	28,069
Deduct interest income shown in investing activities	(134)	(2,001)	(134)	(2,001)
Deduct profit/add back losses on disposals of FA	-	16,488	-	-
Decrease/(increase) in stock	(7,432)	131	-	-
Decrease/(increase) in debtors	(351,939)	(187,592)	(374,440)	(122,473)
Increase/(decrease) in creditors	177,740	41,182	164,525	50,623
<b>Net cash generated from/(used in) operating activities</b>	<b>(446,196)</b>	<b>873,423</b>	<b>(443,705)</b>	<b>875,516</b>

**23 MOVEMENT IN NET DEBT**

Group	at 31/3/21 £	cashflows £	Lease premium £	other non cash £	£
<b>Cash and cash equivalents</b>					
Cash at bank and in hand	2,055,434	(894,302)	-	-	1,161,132
<b>Debt</b>					
Bolton MBC re lease premium	-	-	(298,579)	-	(298,579)
<b>Cash and cash equivalents net of debt</b>	<u>2,055,434</u>				<u>862,553</u>
<b>Charity</b>					
<b>Cash and cash equivalents</b>					
Cash at bank and in hand	2,045,194	(890,516)	-	-	1,154,678
<b>Debt</b>					
Bolton MBC re lease premium	-	-	(298,579)	-	(298,579)
<b>Cash and cash equivalents net of debt</b>	<u>2,045,194</u>				<u>856,099</u>

There were no: acquisitions or disposals of subsidiaries; foreign exchange movements; or market value changes in the period.

**24 LEASE COMMITMENTS**

**a Operating leases**

The charity and group had no commitments under non cancellable operating leases in either year. It continued to occupy the Wellsprings premises at a peppercorn (if required) but for storage rather than as offices until May 2021.

The benefit of this arrangement is reflected in the accounts as support in kind.

During the year, the charity entered into a lease with Bolton Council for the theatre. The lease commenced on August 31 2021 and runs until June 2120. There is no rent payable under the lease, but there is a lease premium of £503,762. The initial instalment of the lease premium was paid in the year of £240,000 plus VAT and the balance is payable in equal annual instalments commencing August 31 2024 and is provided for in these accounts.

A condition of the lease was the granting of the charge in favour of ACE referred to in note 26.

**b Finance leases**

The charity and group had no obligations under finance leases in either this or the preceding year.

**OCTAGON THEATRE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2022**

**25 RELATED PARTY TRANSACTIONS**

Details of the grant support from organisations who nominated directors and other organisations with which the charity works closely is shown in the statement of funds note.

Details of the trading between the charity and its subsidiaries is shown in the notes to the SoFA.

E K Alladi, a trustee. Is also an actor and following the audition was cast in the play An Adventure. He was engaged on standard Equity terms and was paid a total fee of £4,408 including pension contributions.

Unrestricted donations received from trustees amounted to £5 (2021 - £200). There are no other related party transactions that are required to be disclosed.

**26 CONTINGENT LIABILITIES**

**Capital grants**

In previous years the charity has received funding from Arts Council England (ACE) for the redevelopment of the theatre from ACE National Lottery funding and jointly from ACE and Bolton MBC for the improvement of the lighting and sound system. The assets created are subject to ACE normal terms and conditions and property assets cannot be disposed of at any time or equipment within ten years without ACE prior written consent, and any proceeds of sale may be repayable in proportion to the funding received.

These liabilities are not expected to crystallise and therefore the grant, relating to capital items, has been taken to a restricted reserve and related depreciation is being charged against the fund each year. However, as all the other restrictions had been met the grant was released to unrestricted funds in 20/21.

**27 CHARGES**

The Arts Council England (ACE) was a major funder of the capital works carried out by Bolton Council on the theatre building. In order to safeguard the interests of the funder and to facilitate the granting of the lease by the Council to the Charity, ACE has been given a charge of the leasehold property known as the Octagon Theatre, Howell Croft South Bolton.