



OCTAGON THEATRE TRUST LIMITED
GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR
THE YEAR ENDED MARCH 31 2023

OCTAGON THEATRE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31 2023

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OCTAGON THEATRE TRUST LIMITED
CHAIR'S STATEMENT
FOR THE YEAR ENDED MARCH 31 2023

On behalf of the Board of Trustees it's my absolute pleasure to have the opportunity to thank the whole Octagon team for their outstanding contribution throughout the year, whether that's been staging excellent performances, expanding our community engagement, working in partnership with more organisations, strengthening our position through fundraising and marketing or keeping everything going behind the scenes.

It has to be said that the post-Covid period has been tough on the arts as we rebuild audiences and cope with economic turbulence, and here at the Octagon we've witnessed that first hand, but regardless, we've produced world premieres, smashed some of our own longstanding box office records and continued to provide world-class theatre experiences for everyone, right from the heart of Bolton.

As well as some big performances, we also had some big achievements in the year, one massive thing was being nominated for Theatre of the Year 2023 at the Stage Awards. We secured continued funding from Arts Council England as a National Portfolio Organisation 2023 to 2026, as well as continued support from Bolton Council and increased support from the Greater Manchester Combined Authority's Culture Fund for 2023 to 2026. We're grateful to our team for their tireless work on these and other funding submissions, and grateful to our funders and everyone who supports our work. Over the last 12-months we've worked on bringing our purpose to life through how we talk about the work we do, our engagement activities, and the work we produce. These magnificent things have really shown what the Octagon is and most importantly who it's for. We're a catalyst for enriching lives and communities.

We've got a tough year ahead and more so than ever, we need the support of everyone, whether your passionate about theatre, music, community, comedy or culture, because it's all at the heart of the Octagon.

Darren Knight
Chair of the Board of Trustees

OCTAGON THEATRE TRUST LIMITED
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED MARCH 31 2023

DIRECTORS

Name	Nominee/Elected	Appointed/Resigned	Position	Subcommittee (see key below)
D J Knight	Elected trustee		Chair	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
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	Resigned 04/05/2023		
F L Noden	Elected trustee			FR
C Southern	Elected trustee	Resigned 23/11/2022		FR
I Tabbron	Elected trustee			FR
Cllr H Fairclough	BMBC nominee			
K Devlin	Elected trustee	Resigned 12/07/2022		

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
D Fearnley	Head of Development
I Woolrich	Head of Creative Engagement
W Treasure	Head of Producing

**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
Hyde Park House
Cartwright Street, Hyde
Sk14 4EH

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 2023**

The trustees present their annual report together with the consolidated financial statements of the charity and its subsidiaries for the year ended March 31 2023.

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 mission, values and goals

Our vision: Our community will be stronger, happier and healthier with more creativity at its heart.

Our mission: We use theatre and arts to create unforgettable experiences that celebrate, inspire and elevate our community.

Our cause: We will excite and unite people through brilliant, bold theatre and arts. We will enrich and change peoples' lives by encouraging their expression and freedom. We will be a catalyst for our community to be more inclusive and more creative.

Our 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.

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- Integrity – We are authentic and honest. We treat people with respect and fairness. We are responsible and accountable. We deliver on what we promise.

Organisational goals to 2026:

- Improve our resilience through growing our income and reach and maximising our new venue.
- Value our people in a culture where they can thrive, contribute, learn, and are able to balance work and life effectively.
- Stage work that is Bold, Adventurous and Popular, supporting others to flourish, and contributing to a vibrant and diverse creative ecology.
- Widen who we work with to be vital to our community, building meaningful partnerships and advocating for the difference we can make.
- Octagon for everyone, placing inclusion, diversity and access at the heart of what we do, and ensuring that people feel the Octagon is for them.
- Environmental responsibility, taking action to reduce our impact and contribute towards Net Zero by 2038.

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.

Beneficiaries

A total of 106,514 number of people benefited from the charity's work over the year including participants, audiences at the Octagon and audiences at partner venues across the country.

Pricing policy

We are committed to providing accessible and affordable theatre experiences for everyone, whilst recognising that the charity requires sufficient income to deliver its activities effectively. The trustees have set a policy that includes free events throughout the year, free and £3 tickets for those on low incomes, and a range of price points for customer choice including desirable seats at £15 tickets for every performance. Dynamic pricing allows the charity to increase the highest prices in line with demand, whilst keeping the lowest ticket prices static to ensure affordability.

Impact assessment

The trustees periodically commission impact studies to understand how the Octagon makes a positive contribution to Bolton and the surrounding area. The most recent study in 2021, and drawing upon data from previous years, found that the charity:

- 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 because 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.

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. Volunteers gave 3,135 hours over the year.

ACHIEVEMENTS AND PERFORMANCE

2022-23 proved to be an extraordinary year for the Octagon on many fronts. We were delighted to be shortlisted as UK Theatre of the Year 2023 at the Stage Awards in January 2023. The criteria included artistic excellence, financial resilience, innovative business practice and positive employment conditions.

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Our first full financial year open after major reconstruction and the global pandemic was turbulent. The first six months of the year were particularly challenging as the recovery of audience levels from the pandemic was slowed by growing economic concerns. The latter six months had three productions that successively broke our box office records. Financial volatility aside, the year cemented the Octagon's reputation as an ambitious, high achieving and engaging theatre with both local and national impact.

Some 69,412 people attended Octagon productions at our theatre in Bolton, and a further 31,904 people saw an Octagon production or co-production elsewhere in the UK.

During 2022/23 our productions included:

Kes by Barry Hines, adapted for the stage by Robert Alan Evans. Directed by Atri Banerjee. 10 March – 2 April 2022. Co-production with Theatre by the Lake.

- *"Bold reimaging that stays true to its source material while bringing it vividly to life"* The Stage
- *"moving, compelling, at times heart-breaking production"* The Bolton News
- *"a powerful night of theatre"* Manchester Evening News

Habibti Driver by Shamia Chalabi and Sarah Henley. Directed by Sepy Baghaei. 21 April – 7 May 2022. Co-production with Tara Finney Productions.

- *"An unapologetically camp comedy with plenty of personality"* Manchester Evening News
- *"The performances are so authentic that you believe this is a family, as the chemistry between the actors is everything."* I Love Manchester

One Man, Two Guvnors by Richard Bean. Directed by Lotte Wakeham. 26 May – 25 June 2022. Co-production with Theatre by the Lake and Liverpool Everyman & Playhouse

- *"this is as good as theatre gets"* Opening Night
- *"pure entertainment and laughter"* The Bolton News
- *"an outstanding comedy"* North West End

The Book Thief by Markus Zusak. Book by Jodi Picoult and Timothy Allen McDonald, Libretto by Elyssa Samsel and Kate Anderson. Directed by Lotte Wakeham. 17 September – 15 October 2022.

- *"a tremendously delivered production"* The Guardian
- *"a musical production that needs to be seen"* Frankly My Dear
- *"an unforgettable night of theatre that will stay with me forever"* North West End

Brief Encounter by Noel Coward, adapted for the stage by Emma Rice. Directed by Paul Robinson. 20 October – 5 November 2022. Co-production with Stephen Joseph Theatre and Theatre by the Lake.

- *"a joyful piece of theatre"* British Theatre Guide
- *"brilliant storytelling"* Opening Night
- *"essential viewing"* The Reviews Hub

A Christmas Carol by Charles Dickens, adapted for the stage by Kate Ferguson and Susannah Pearse. Directed by Georgia Murphy. 17 November 2022 – 14 January 2023.

- *"This is ensemble theatre at its best"* Theatre Reviews North
- *"Festive theatre for all ages"* Manchester Theatre's
- *"Warm-hearted, high spirited production"* The Stage

Spring & Port Wine by Bill Naughton. Directed by Lotte Wakeham. 3 February – 4 March 2023.

- *"the Octagon has quietly been adding to an already strong reputation as one of the most interesting and innovative theatres in the north of England"* North West End
- *"Director Wakeham widens the scope of the play to be of relevance to a contemporary audience"* The Reviews Hub
- *"the Octagon have another success on their hands"* Theatre Reviews North

Ladies Day by Amanda Whittington. Directed by Marieke Audsley. 8 March – 1 April 2023. Co-production with New Vic Theatre.

- *"the epitome of a crowd pleaser"* The Stage
- *"a real winner"* British Theatre Guide
- *"a superb evening's entertainment"* Reviewer Number 9

In addition to the Theatre of the Year nomination, the Octagon was recognised in several other awards including:

- Best Customer Service Award at the Bolton Business Awards.
- TK Hay won Best Designer at the Stage Debut Awards for his design of *An Adventure* (staged in February 2022) and Nishla Smith won Best Supporting Performance at the UK Theatre Awards for her role in *Kes* (staged in March 2022).
- *The Book Thief* was nominated for Best Regional Production and Best Lighting Design at the What's On Stage Awards.
- Artistic Director, Lotte Wakeham, was named Culture Champion at the She Inspires Awards, and our longest-serving employee, Jim Whaite won Unsung Hero at The Stage Awards.

The Book Thief achieved noteworthy national and international attention. This stunning world premiere adaptation of Markus Zusak's global bestselling novel was described as "assured and courageous" by The Guardian. The production met our expectations in inspiring audiences to return to the Octagon, with people coming across the UK, Europe and further afield. *The Book Thief* was

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integral to our strategy of investing in ambitious, popular work and was made possible by our Future Fund (launched in the pandemic to support the Octagon's recovery), our partners DEM Productions, and our show sponsor, Boo Coaching and Consulting. We were also delighted by the reaction to *Spring and Port Wine*, starring Les Dennis and Mina Anwar. This Bolton classic has long been a local favourite, and similarly attracted many audiences back to the Octagon. We are grateful to our show sponsors, AFG Law.

Our creative engagement work reaches people of all ages and backgrounds in activities in and outside of the building. In 2022/23 our ReAct project, funded by the National Lottery Community Fund, came to its conclusion. This programme provided a breadth of creative opportunities, co-designed with over 50s with the aim of reducing loneliness and improving arts engagement. The ReAct celebration week in July 2022 showcased the huge range of work that participants had led and been part of, and the Where Are We Now installation remains in the Octagon foyer. This textile-based art project saw participants work with three artists to push themselves in trying new techniques, connecting with memories of working with textiles in India in their youth.

In October 2022, we announced the launch of Sharing Stories, a new long-term programme to engage children and families in storytelling, whether that be through books, drama or other creative activities. This programme recognises that educational attainment and cultural participation in Bolton are both lower than national average. By providing opportunities for reading, writing, drama, craft and other activities, we hope to improve educational, wellbeing and cultural outcomes with families in Bolton's most deprived neighbourhoods. The programme is being run in partnership with Bolton Library and Museum Service, Bolton Wanderers in the Community and Bolton CVS. We are very grateful to the Oglesby Charitable Trust for agreeing to become the major supporter of this programme over three years, and to Bolton Council for their investment through the UK Shared Prosperity Fund. Activity began in January 2023 with the appointment of a new Family Engagement Lead and a series of free drop-in events that allowed us to meet families and begin to design future activities with them.

Over the year we ran 60 sessions of our Bridges programme, which provides creative activities for young people and adults with additional needs and learning disabilities. These sessions emphasise gaining confidence, collaboration and connecting with others, as well as providing acting and self-expression opportunities in an inclusive setting. We provided 92 education sessions for young people including schools workshops and employability workshops with The Prince's Trust. We also ran 84 sessions that were focused on health and wellbeing, including working with carers, people recovering from addiction and people with experience of mental illness. Throughout the year, 100 young people participated every term in our Youth Theatre and Young Octagon, building their theatre skills and confidence in an open and inclusive environment. In total, some 5,198 people took part in our family and creative engagement activities across the year.

We became the first theatre in the North West to be an accredited Living Wage Employer. This means that everyone who works for the Octagon earns the real living wage, which reflects the cost of living and is higher than the legal minimum. Whilst the trustees could have considered this a difficult decision given the financial circumstances, the overriding priority has been to ensure that the Octagon is a fair employer and supports its workforce (permanent staff, casual workers and freelancers) during the cost-of-living crisis.

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.

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 £232,445 (2022 – surplus £313,227) after transfers and designations

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	1,145
Designated funds	955
	<u>2,097</u>
Restricted funds	123
	<u><u>2,224</u></u>

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Trading subsidiaries

Octagon Catering Services (OCS) returned to profit mainly thanks to the improved theatre attendance in the second half of the year. Improved internal controls also helped trading results and produced a profit of c£19k. It is the aim to reduce any losses on its balance sheet within the next three years.

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£282k.

Principal funding sources

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

	2023	2022	2021	2020
	£'000	£'000	£'000	£'000
Core funding	878	922	885	943
COVID related funding	-	276	-1,350	-
Donations & legacies	84	45	126	117
Capital grants	-	-	-	87
Charitable trading	1,707	637	42	522
Project grants	160	40	117	124
Fundraising/trading income	516	257	107	149
Interest	3	1	2	8
Other income	-	-	-	-
	3,348	2,178	2,629	1,950

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.

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 that began in 2022, has dramatically reduced our number of active customers. National research has found that a third of previously regularly theatre customers expect to reduce their attendance. Given that customer generated income forms the majority of turnover, this is naturally the highest risk facing the charity. We have invested in programming that has popular appeal and appeal to new audiences and undertaken regular market research to better understand our customers, their motivations and expectations. We have increased spending in marketing and in spring 2023, began a year-long audience engagement programme to deepen our audience insight, improve our brand and social media marketing, and make greater use of data and audience segmentation to build relationships with new and potential customers. This is being matched by grassroots audience development around our two priorities of family audiences and South Asian audiences.
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. The trustees have determined to maintain sufficient reserves to mitigate against any shortfalls as we work to return to normal trading levels from 2024 onwards.
Reliance and uncertainty on grant income	There is a proactive approach to maintaining positive relationships with all funding stakeholders, and to monitoring the policy 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 (GMCA). We have confirmed 2023-2026 funding from Arts Council England and GMCA, and ongoing funding from Bolton Council.
Increases in costs and inflation	In line with the economy, we have experienced significant increases in utilities prices and other fixed costs. We have undertaken a review of all budgets and contracts and instigated a major savings plan that has reduced the total increase to overheads. We continue to tightly control expenditure whilst also investing in cost saving measures where prudent to do so.

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Limited organisational capacity, resilience, and accommodation

The redevelopment of the theatre has significantly improved our accommodation and opened new opportunities for income generation through venue hire and improved audience experience. However, the economic circumstances are frustrating our ability to realise the potential of this. The trustees recognise that the Octagon's resources are currently limited.

Our workforce is our greatest asset, and the trustees place considerable importance on maintaining a healthy and capable team. Staff and freelancers have co-designed new values and a cultural statement for the Trust, and the 2022/23 staff survey showed high levels of engagement and morale. The Trust is now an accredited Living Wage Employer. Engagement with staff will continue to focus on wellbeing, work/life balance and professional development and a new bespoke programme of staff skills development is being implemented in 2023/24. We are reviewing the freelancer experience to ensure that this crucial part of our workforce is fully valued and engaged with the Octagon, and we are increasing opportunities for volunteering, to grow capacity and to widen access to the arts.

We have vacated our former workshop and store building at the end of its lease and have secured short-term premises for storage in Bolton, and for scenery construction at the Royal Exchange Theatre in Manchester. Identifying new long-term premises is an urgent priority.

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. There are targets in place for recruitment of paid staff and volunteers. Embedding access, diversity and inclusion is one of the charity's goals, and to achieve this investment is being made in programming, audience/community relationships and staff capacity to improve equity with currently under-represented communities.

Climate change

Climate change is arguably the greatest risk facing the global community. The trustees have made reducing environmental impact one the charity's goals. The redeveloped theatre has already significantly reduced our carbon footprint, but we are committed to further reductions. We are building a comprehensive action plan that include audience travel, production processes, procurement practices, and using our influence and programme to inspire wider change in our communities. Our ambition is to become a Net Zero organisation by 2038, in line with the Greater Manchester city-region target.

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.

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	0 (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.

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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 2023/24, the Octagon will build upon the success of recent programme with a line-up of productions that are intended to reengage and build audience loyalty and position the Octagon as one of the most exciting regional theatres in the UK. An important development in 2023/24 is the move to a hybrid programming model that makes better use of our resources. This means we will focus our in-house capacity on making a smaller number of signature productions, whilst programming co-produced and touring-in work to provide a varied and engaging programme for a wider range of audiences. This model brings the advantages of increasing our national audience and collectively reducing environmental impact as productions have a longer-life.

The artistic programme for 2023/24 includes:

- *The Book of Will* by Lauren Gunderson, directed by Lotte Wakeham. The European premiere of this play celebrating Shakespeare's First Folio will be staged during the 400th anniversary of the First Folio's publication, in co-production with Queen's Theatre Hornchurch and Shakespeare North Playhouse.
- *The Blonde Bombshells of 1943* by Alan Plater, directed by Zoe Waterman. This witty, uplifting musical will continue our established co-producing partnership with Theatre by the Lake and Stephen Joseph Theatre.
- *A View from the Bridge* by Arthur Miller, directed by Holly Race Roughan. This modern classic masterpiece will be have a contemporary new staging in collaboration with Headlong, Chichester Festival Theatre and the Rose Theatre.
- *Jeeves and Wooster in Perfect Nonsense* based on the works of PG Wodehouse and written by the Goodale Borthers. This riotous comedy will be directed by Marieke Audsley, in co-production with Salisbury Playhouse.
- *Around the World in 80 Days* based on the novel by Jules Verne, in a new musical adaptation by Kate Ferguson and Susannah Pearce, directed by Kash Arshad. Continuing our reputation for fun, family-friendly musical shows over the festive period.

Away from the Octagon, *The Book Thief* will be given new life by our partners DEM Productions. The revival and updating of the production will be directed by Lotte Wakeham and staged at the Belgrade Theatre Coventry and Curve Theatre in Leicester.

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.

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In December 2018 the board re-organised 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 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. The University is the theatre's Principal Sponsor.

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 – Director

Date: 27/11/23.

**INDEPENDENT AUDITORS REPORT
TO THE MEMBERS AND TRUSTEES OF THE OCTAGON THEATRE TRUST LIMITED
FOR THE YEAR ENDED MARCH 31 2023**

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 2023 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 2023 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 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.

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

**INDEPENDENT AUDITORS REPORT
TO THE MEMBERS AND TRUSTEES OF THE OCTAGON THEATRE TRUST LIMITED
FOR THE YEAR ENDED MARCH 31 2023**

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.

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.

**INDEPENDENT AUDITORS REPORT
TO THE MEMBERS AND TRUSTEES OF THE OCTAGON THEATRE TRUST LIMITED
FOR THE YEAR ENDED MARCH 31 2023**

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.



Naveed Ahmad

For and on behalf of:
HGA Accountants & Financial Consultants Ltd
t/a Chittenden Horley - Chartered Accountants and Statutory Auditors
The Hyde Park House
Cartwright Street, Newton
Manchester SK14 4EH

Date:



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 2023

		Unrestricted				
	Notes	General Funds	Designated Funds	Restricted Funds	Total 2023	Total 2022
		£	£	£	£	£
INCOME						
Incoming resources from generated funds:						
Donations	2	948,719	-	25,301	974,020	1,242,993
Charitable activities	3	1,695,745	-	159,617	1,855,362	678,008
Other trading activities	4	515,589	-	-	515,589	257,194
Investment income - bank interest		3,034	-	-	3,034	134
TOTAL INCOMING RESOURCES		3,163,087	-	184,918	3,348,005	2,178,329
EXPENDITURE						
Costs of raising funds	6	437,162	-	-	437,162	300,020
Expenditure on charitable activities	7	2,832,810	146,614	247,797	3,227,221	2,372,029
TOTAL EXPENDITURE		3,269,972	146,614	247,797	3,664,383	2,672,049
NET INCOME/(EXPENDITURE)						
BEFORE TRANSFERS	10	(106,885)	(146,614)	(62,879)	(316,378)	(493,720)
Transfers between funds	17	(27,373)	36,497	(9,124)	-	-
NET INCOME/(EXPENDITURE)						
BEFORE TAXATION		(134,258)	(110,117)	(72,003)	(316,378)	(493,720)
TAXATION - Theatre Tax Credit	5	282,447	-	-	282,447	130,708
NET INCOME/(EXPENDITURE)						
AFTER TAXATION - NET MOVEMENT IN FUNDS		148,189	(110,117)	(72,003)	(33,931)	(363,012)
TOTAL FUNDS BROUGHT FORWARD	17	893,588	1,065,981	195,109	2,154,678	2,517,690
TOTAL FUNDS CARRIED FORWARD	17	1,041,777	955,864	123,106	2,120,747	2,154,678

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 2023

		Unrestricted				
	Notes	General Funds	Designated Funds	Restricted Funds	Total 2023	Total 2022
		£	£	£	£	£
Incoming resources from generated funds:						
Donations	2	948,719	-	25,301	974,020	1,242,993
Charitable activities	3	3,160,435	-	159,617	3,320,052	1,633,227
Other trading activities	4	192,832	-	-	192,832	118,646
Investment income - bank interest		3,034	-	-	3,034	134
TOTAL INCOME		<u>4,305,020</u>	<u>-</u>	<u>184,918</u>	4,489,938	<u>2,995,000</u>
EXPENDITURE						
Costs of raising funds	6	117,594	-	-	117,594	130,415
Expenditure on charitable activities	7	4,015,053	146,614	247,797	4,409,464	3,196,540
TOTAL EXPENDITURE		<u>4,132,647</u>	<u>146,614</u>	<u>247,797</u>	4,527,058	<u>3,326,955</u>
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		172,373	(146,614)	(62,879)	(37,120)	(331,955)
Transfers between funds	17	<u>(27,373)</u>	36,497	<u>(9,124)</u>	-	-
NET MOVEMENT IN FUNDS		145,000	(110,117)	(72,003)	(37,120)	(331,955)
TOTAL FUNDS BROUGHT FORWARD	17	<u>909,345</u>	<u>1,065,981</u>	<u>195,109</u>	2,170,435	<u>2,502,390</u>
TOTAL FUNDS CARRIED FORWARD	17	<u>1,054,345</u>	<u>955,864</u>	<u>123,106</u>	2,133,315	<u>2,170,435</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 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible Assets	11		850,072		935,796
CURRENT ASSETS					
Stock	13	9,391		7,671	
Debtors	14	698,547		764,461	
Cash at Bank and in Hand		<u>1,570,306</u>		<u>1,161,132</u>	
		2,278,244		1,933,264	
CREDITORS					
Amounts falling due in one year	15	<u>708,991</u>		<u>415,803</u>	
NET CURRENT ASSETS			<u>1,569,253</u>		<u>1,517,461</u>
			2,419,325		2,453,257
CREDITORS					
Amounts falling due in more than one year	16		<u>298,578</u>		<u>298,579</u>
NET ASSETS			<u>2,120,747</u>		<u>2,154,678</u>
FUNDS					
<i>Unrestricted charitable funds</i>					
General fund	17	1,166,466		1,036,416	
Designated fund	17	<u>955,864</u>		<u>1,065,981</u>	
			2,122,330		2,102,397
<i>Restricted charitable funds</i>		17	<u>123,106</u>		<u>195,109</u>
Total charitable funds			2,245,436		2,297,506
<i>Non charitable trading subsidiaries</i>			<u>(124,689)</u>		<u>(142,828)</u>
TOTAL FUNDS			<u>2,120,747</u>		<u>2,154,678</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: 29/11/23
And signed on their behalf by;

D S knu
D J Knight – Director

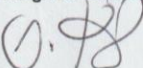
Company registration number: 00882226

OCTAGON THEATRE TRUST LIMITED
CHARITY BALANCE SHEET
AS AT MARCH 31 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible Assets	11		848,714		934,198
Investments	12		<u>1,100</u>		<u>1,100</u>
			849,814		935,298
CURRENT ASSETS					
Stock	13	-		-	
Debtors	14	696,486		779,305	
Cash at Bank and in Hand		<u>1,557,708</u>		<u>1,154,678</u>	
		2,254,194		1,933,983	
CREDITORS					
Amounts falling due in one year	15	<u>672,115</u>		<u>400,267</u>	
NET CURRENT ASSETS					
			<u>1,582,079</u>		<u>1,533,716</u>
			2,431,893		2,469,014
CREDITORS					
Amounts falling due in more than one year	16		<u>298,578</u>		<u>298,579</u>
NET ASSETS					
			<u>2,133,315</u>		<u>2,170,435</u>
FUNDS					
Unrestricted					
General fund	17	1,054,345		909,345	
Designated funds	17	<u>955,864</u>		<u>1,065,981</u>	
			2,010,209		1,975,326
Restricted	17		<u>123,106</u>		<u>195,109</u>
TOTAL FUNDS			<u>2,133,315</u>		<u>2,170,435</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:
And signed on their behalf by:

 27/11/23
D J Knight – Director
Company registration number: 00882226

OCTAGON THEATRE TRUST LIMITED
GROUP AND CHARITY STATEMENT OF CASH FLOWS
AS AT MARCH 31 2023

		Group	Group	Charity	Charity
		2023	2022	2023	2022
	notes	£	£	£	£
Cash used in operating activities	22	442,637	(446,196)	436,493	(443,705)
Cashflows from investing activities					
Interest and dividends		3,034	134	3,034	134
Purchase of tangible fixed assets		(36,497)	(746,819)	(36,497)	(745,524)
Proceeds of sale of fixed assets		-	-	-	-
Payments to acquire investments		-	-	-	-
Cash provided by/(used in) investing activities		(33,463)	(746,685)	(33,463)	(745,390)
Cashflows from financing activities					
Proceeds from new borrowings		-	298,579	-	298,579
Repayment of borrowing		-	-	-	-
Cash from financing activities		-	298,579	-	298,579
Increase/(decrease) in cash & cash equivalents in the year		409,174	(894,302)	403,030	(890,516)
Cash and cash equivalents brought forward		1,161,132	2,055,434	1,154,678	2,045,194
Cash and cash equivalents carried forward		1,570,306	1,161,132	1,557,708	1,154,678
Cash and cash equivalents consist of:					
Cash at bank and in hand		1,570,306	1,161,132	1,557,708	1,154,678
Current asset investments		-	-	-	-
		1,570,306	1,161,132	1,557,708	1,154,678

Details of movement in net debt are given in note 24.

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 2023

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 reviewed the financial statements and the groups current position 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 2023

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 2023

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
2 DONATIONS						
Revenue grants:						
Arts Council England	625,359	-	625,359	625,359	-	625,359
Bolton MBC	145,380	-	145,380	188,652	-	188,652
GMCA	107,200	-	107,200	107,200	-	107,200
The Oglesby Charitable Trust	-	11,681	11,681	-	736	736
	877,939	11,681	889,620	921,211	736	921,947
COVID related funding:						
ACE - CRF1	-	-	-	-	-	-
ACE - CRF2	-	-	-	-	148,500	148,500
ACE - CRF3	-	-	-	-	123,600	123,600
Esmee Fairbairn	-	-	-	-	-	-
Garfield Weston Foundation	-	-	-	-	-	-
Granada Foundation	-	-	-	-	-	-
Wolfson Foundation	-	-	-	-	-	-
The Lindbury Trust	-	-	-	-	-	-
HMRC - CJRS	-	-	-	3,809	-	3,809
	-	-	-	3,809	272,100	275,909
Donations & legacies						
General donations	70,780	-	70,780	33,121	-	33,121
In kind support	-	-	-	-	-	-
Capital project	-	13,620	13,620	-	12,016	12,016
Learning & participation	-	-	-	-	-	-
	70,780	13,620	84,400	33,121	12,016	45,137
Total for group	948,719	25,301	974,020	958,141	284,852	1,242,993
Donation from OCS Ltd	-	-	-	-	-	-
Total for company	948,719	25,301	974,020	958,141	284,852	1,242,993

Allocations to designated funds are shown in note 17.

OCTAGON THEATRE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
3 INCOME FROM CHARITABLE ACTIVITIES						
Group						
Theatre and performance						
Charity Income (as below)	1,667,620	-	1,667,620	613,989	4,818	618,807
Octagon Theatre Productions	1,183,643	-	1,183,643	825,851	-	825,851
Eliminated on consolidation						
intercompany charges	(1,183,643)	-	(1,183,643)	(825,851)	-	(825,851)
	1,667,620	-	1,667,620	613,989	4,818	618,807
Learning and Participation						
Charity Income (as below)	28,125	159,617	187,742	24,092	35,109	59,201
	28,125	159,617	187,742	24,092	35,109	59,201
Total per Group	1,695,745	159,617	1,855,362	638,081	39,927	678,008
Charity						
Theatre and performance						
Box office	1,427,541	-	1,427,541	536,049	-	536,049
Grants	-	-	-	-	4,818	4,818
Co-productions	201,644	-	201,644	56,754	-	56,754
Royalties receivable	-	-	-	3,185	-	3,185
Other income	10,788	-	10,788	12,263	-	12,263
Ancillary trading	27,647	-	27,647	5,738	-	5,738
	1,667,620	-	1,667,620	613,989	4,818	618,807
Production sub contractor fees						
(eliminated on consolidation)	1,464,690	-	1,464,690	955,219	-	955,219
Learning and Participation						
Fees & earned income	28,125	-	28,125	24,092	-	24,092
Grants	-	159,617	159,617	-	35,109	35,109
	28,125	159,617	187,742	24,092	35,109	59,201
Total per Charity	3,160,435	159,617	3,320,052	1,593,300	39,927	1,633,227
4 INCOME FROM OTHER TRADING ACTIVITIES						
Sponsorship	126,236	-	126,236	75,099	-	75,099
Management charge/rent	50,000	-	50,000	40,000	-	40,000
Hire income	16,547	-	16,547	3,547	-	3,547
Per charity	192,832	-	192,832	118,646	-	118,646
Less eliminated on consolidation:						
Management charge/rent to OCS Ltd	(50,000)	-	(50,000)	(40,000)	-	(40,000)
Add subsidiary income OCS Ltd	372,757	-	372,757	178,548	-	178,548
Per group	515,589	-	515,589	257,194	-	257,194

5 TRADING SUBSIDIARIES

	Octagon Catering Services Ltd		Octagon Theatre Productions Ltd	
	2023	2022	2023	2022
	£	£	£	£
Turnover	372,257	153,373	1,183,643	825,851
Cost of sales	274,893	166,808	1,464,690	955,219
Gross profit	97,364	(13,435)	(281,047)	(129,368)
Administration Expenses	79,725	56,244	1,400	1,340
Operating profit/loss	17,639	(69,679)	(282,447)	(130,708)
Other income	500	25,175	-	-
Net profit/loss before taxation	18,139	(44,504)	(282,447)	(130,708)
(Tax charge)/Theatre tax credit	-	-	282,447	130,708
Net profit after taxation	18,139	(44,504)	-	-
Total assets	24,007	18,452	282,447	130,709
Total liabilities (excluding capital grant)	(148,696)	(161,280)	(281,447)	(129,709)
Capital grant	-	-	-	-
Net funds	(124,689)	(142,828)	1,000	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.

6 COSTS OF RAISING FUNDS	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Inter company provision re OCS	(14,950)	-	(14,950)	13,447	-	13,447
Support costs	132,544	-	132,544	116,968	-	116,968
Per charity	117,594	-	117,594	130,415	-	130,415
OCS	354,618	-	354,618	223,052	-	223,052
Less provision	14,950	-	14,950	(13,447)	-	(13,447)
Less management charge	(50,000)	-	(50,000)	(40,000)	-	(40,000)
Total fundraising in Group	437,162	-	437,162	300,020	-	300,020

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

7 CHARITABLE EXPENDITURE

Theatre and performance	4,016,227	-	4,016,227	2,839,445	1,000	2,840,445
Learning and participation	277,121	105,302	382,423	328,380	51,867	380,247
Capital project	-	10,814	10,814	-	(24,152)	(24,152)
Charged to restricted fund	(131,681)	131,681	-	(737,012)	737,012	-
Per charity	4,161,667	247,797	4,409,464	2,430,813	765,727	3,196,540

Less eliminated on consolidation:

Grant to OCS Ltd	-	-	-	-	-	-
Charges from OTP Ltd	(1,182,243)	-	(1,182,243)	(824,511)	-	(824,511)
Per group	2,979,424	247,797	3,227,221	1,606,302	765,727	2,372,029

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			Total
	Direct costs	salaries & actors' fees	Support costs	
	£	£	£	£
2022/23				
Theatre and performance	1,997,464	448,521	1,570,242	4,016,227
Learning and participation	71,372	19,991	291,060	382,423
Capital project	10,814	-	-	10,814
	<u>2,079,650</u>	<u>468,512</u>	<u>1,861,302</u>	<u>4,409,464</u>
2021/22				
Theatre and performance	1,248,853	227,906	1,363,686	2,840,445
Learning and participation	47,142	24,524	308,581	380,247
Capital project	(24,152)	-	-	(24,152)
	<u>1,271,843</u>	<u>252,430</u>	<u>1,672,267</u>	<u>3,196,540</u>

OCTAGON THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

8 SUPPORT & GOVERNANCE COSTS

	Marketing	Governance	Costs of raising funds	Theatre & Performance	Learning & participation	Total 2022
	£	£	£	£	£	£
2022/23						
Salaries	-	62,614	125,227	876,590	187,841	1,252,272
Marketing costs	134,133	-	-	-	-	134,133
Establishment costs	2,399	9,595	2,399	167,905	57,567	239,865
Insurance	-	-	-	17,443	5,814	23,257
Legal & professional	-	6,994	-	12,678	667	20,339
Administration costs	14,057	3,514	3,514	112,456	10,543	144,084
Finance charges	3,327	832	832	26,616	2,495	34,102
Staff training and recruitment	2,286	572	572	18,289	1,715	23,434
Loss on disposal of fixed assets	-	-	-	-	-	-
Depreciation	1,168	-	-	108,848	12,344	122,360
	157,370	84,121	132,544	1,340,825	278,986	1,993,846
Allocation of marketing support costs	(157,370)	-	-	149,502	7,868	-
Allocation of governance costs	-	(84,121)	-	79,915	4,206	-
	-	-	132,544	1,570,242	291,060	1,993,846

2021/22

Support costs

Support salaries costs		55,257	110,515	773,604	165,772	1,105,148
Marketing costs	83,215	-	-	-	-	83,215
Establishment costs	2,574	10,295	2,574	180,166	61,771	257,380
Insurance	-	-	-	24,095	8,032	32,127
Legal & professional	-	7,239	-	30,838	1,623	39,700
Administration costs	13,194	3,299	3,299	105,556	9,896	135,244
Finance charges	1,375	344	344	10,999	1,031	14,093
Staff training and recruitment	947	237	237	7,579	711	9,711
Loss on disposal of fixed assets	-	-	-	-	-	-
Depreciation	8,404	-	-	53,788	50,426	112,618
	109,709	76,671	116,969	1,186,625	299,262	1,789,236
Allocation of marketing support costs	(109,709)	-	-	104,224	5,485	-
Allocation of governance costs	-	(76,671)	-	72,837	3,834	-
	-	-	116,969	1,363,686	308,581	1,789,236

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 2023

9 STAFF INFORMATION	2023	2022
	£	£
a Employees		
Salaries and wages	1,270,173	1,146,400
Pension costs	26,086	22,369
Employer's NI contributions	101,568	81,825
	<u>1,397,827</u>	<u>1,250,594</u>

Staff costs for the Trading subsidiary included above	<u>120,501</u>	<u>120,501</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>

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>375,395</u>	<u>364,190</u>
Group	<u>375,395</u>	<u>372,569</u>

b Actors and stage managers	£	£
Fees	439,110	223,138
Pension contributions (Equity)	4,348	4,348
	<u>443,458</u>	<u>227,486</u>

c Group average staff numbers

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

	2023	2023	2022	2022
	Average	Average FTE	Average	average FTE
	number	number	number	number
Employees	82	55	72	45
	<u>82</u>	<u>55</u>	<u>72</u>	<u>45</u>

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

This is stated after charging/(crediting):	£	£
Auditors remuneration:-		
Audit fees	4,100	4,100
Accountancy fees	6,025	6,568
Finance lease charges	-	-
Depreciation of fixed assets	122,221	98,581
Trustees remuneration	-	-
Trustees expenses	-	-
	<u>-</u>	<u>-</u>

OCTAGON THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

11 TANGIBLE FIXED ASSETS

GROUP	Leasehold Property £	Fixtures & Fittings £	Computer Equipment £	Total £
Cost or valuation				
As at April 1 2022	597,435	644,006	100,292	1,341,733
Additions	-	12,371	24,126	36,497
Disposals	-	(44,694)	(29,911)	(74,605)
As at 31 March 2023	597,435	611,683	94,507	1,303,625
Depreciation				
As at April 1 2022	58,085	264,945	82,907	405,937
Charge for the year	58,085	48,864	15,272	122,221
Disposals	-	(44,694)	(29,911)	(74,605)
As at 31 March 2023	116,170	269,115	68,268	453,553
Net Book Value				
As at 31 March 2023	481,265	342,568	26,239	850,072
As at 31 March 2022	539,350	379,061	17,385	935,796

COMPANY				
Cost or valuation				
As at April 1 2022	597,435	641,392	100,292	1,339,119
Additions	-	12,371	24,126	36,497
Disposals	-	(44,694)	(29,911)	(74,605)
As at 31 March 2023	597,435	609,069	94,507	1,301,011
Depreciation				
As at April 1 2022	58,085	263,929	82,907	404,921
Charge for the year	58,085	48,624	15,272	121,981
Disposals	-	(44,694)	(29,911)	(74,605)
As at 31 March 2023	116,170	267,859	68,268	452,297
Net Book Value				
As at 31 March 2023	481,265	341,210	26,239	848,714
As at 31 March 2022	539,350	377,463	17,385	934,198

OCTAGON THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

12 FIXED ASSET INVESTMENTS

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

Name	Company no.	Investment		Activity
		2023	2022	
		£	£	
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
	2023	2022	2023	2022
	£	£	£	£

13 STOCKS

Stock of goods for resale	9,391	7,671	-	-
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14 DEBTORS

Trade debtors	87,699	7,854	87,699	7,854
Grants and income receivable	-	537,337	90,880	537,337
Octagon Catering Services Ltd	-	-	(112,221)	140,619
Inter company provision re OCS	-	-	112,221	(127,171)
Octagon Theatre Productions Ltd	(939)	-	189,228	128,369
VAT refundable	17,202	-	17,202	6,465
Other debtors	144	321	144	321
Theatre Tax Credit receivable	282,447	130,709	-	-
Prepayments	311,994	88,240	311,333	85,511
	<u>698,547</u>	<u>764,461</u>	<u>696,486</u>	<u>779,305</u>

15 CREDITORS falling due within one year

Trade creditors	80,383	69,444	75,377	66,518
Other taxes and social security	51,093	1,847	32,184	1,663
Accruals	352,053	200,667	339,092	188,241
Other creditors	27,336	36,599	27,336	36,599
Income and grants in advance	107,246	107,246	107,246	107,246
	<u>618,111</u>	<u>415,803</u>	<u>581,235</u>	<u>400,267</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	298,578	298,579	298,578	298,579
	<u>298,578</u>	<u>298,579</u>	<u>298,578</u>	<u>298,579</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 2023

17 STATEMENT OF FUNDS

Group	2021/22				b/f and c/f 31/03/2022	2022/23			
	01/04/2020	Income	Expenditure	TTR & Transfers		Income	Expenditure	Transfers	31/03/2021
	£	£	£	£	£	£	£	£	£
Unrestricted funds:									
General fund	580,361	1,853,550	(1,678,023)	137,700	893,588	3,163,087	(3,269,972)	255,074	1,041,777
Designated Funds (see details below)	910,629		(228,299)	383,651	1,065,981	-	(146,614)	36,497	955,864
	1,490,990	1,853,550	(1,906,322)	521,351	1,959,569	3,163,087	(3,416,586)	291,571	1,997,641
Restricted Funds:									
As below	1,026,700	324,779	(765,727)	(390,643)	195,109	184,918	(247,797)	(9,124)	123,106
Total Funds	2,517,690	2,178,329	(2,672,049)	130,708	2,154,678	3,348,005	(3,664,383)	282,447	2,120,747

Funds analysed between charitable and non-charitable:

	2023	2022
	£	£
Charity unrestricted and designated	2,010,209	1,975,326
Add back provision on inter company eliminated on consolidation	112,220	127,171
Charity restricted	123,106	195,109
	2,245,535	2,297,606
Trading subsidiaries	(124,689)	(142,828)
	<u>2,120,846</u>	<u>2,154,778</u>

OCTAGON THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

17 STATEMENT OF FUNDS (continued)

	2021/22			b/f and c/f			2022/23		
	01/04/2021 £	Income £	Expenditure £	TTR & Transfers £	31/03/2022 01/04/2022 £		Income £	Expenditure £	TTR & Transfers £
COMPANY									
Unrestricted funds:									
General fund	565,061	2,670,221	(2,332,929)	6,992	909,345		4,305,020	(4,132,647)	(27,373)
Designated funds:									
Invested in fixed assets	288,073	-	(98,299)	745,524	935,298		-	(121,981)	36,497
Programme support	30,000	-	-	-	30,000		-	-	-
Workshop removal	-	-	-	21,467	21,467		-	(21,467)	-
Covid Recovery	130,000	-	(130,000)	-	-		-	-	-
Capital project	302,460	-	-	(302,460)	-		-	-	-
Capital project - reserves	70,000	-	-	(66,834)	3,166		-	(3,166)	-
Capital replacement unallocated	90,096	-	-	(14,046)	76,050		-	-	-
	910,629	-	(228,299)	383,651	1,065,981		-	(146,614)	36,497
Total unrestricted funds	1,475,690	2,670,221	(2,561,228)	390,643	1,975,326		4,305,020	(4,279,261)	9,124
Restricted Funds:									
The Oglesby Charitable Trust	-	736	(736)	-	-		11,681	(11,681)	-
University of Bolton	-	-	-	-	-		-	-	-
- writing & talent development	-	-	-	-	-		-	-	-
COVID related funding:									
ACE - CRF1	310,318	-	(310,318)	-	-		-	-	-
ACE - CRF2	-	148,500	(102,358)	(46,142)	-		-	-	-
ACE - CRF3	-	123,600	(123,600)	-	-		-	-	-
Garfield Weston Foundation	320,000	-	(200,000)	-	120,000		-	(120,000)	-
The Lindbury Trust	-	-	-	-	-		-	-	-
Capital Project Grants & donations	308,333	12,016	24,152	(344,501)	-		13,620	(10,814)	(2,806)
	938,651	284,852	(712,860)	(390,643)	120,000		25,301	(142,495)	(2,806)
Project funds									
Theatre	-	4,818	(1,000)	-	3,818		-	-	(3,818)
Learning & participation	88,049	35,109	(51,867)	-	71,291		159,617	(105,302)	(2,500)
	88,049	39,927	(52,867)	-	75,109		159,617	(105,302)	(6,318)
Total restricted funds	1,026,700	324,779	(765,727)	(390,643)	195,109		184,918	(247,797)	(9,124)
Total Funds	2,502,390	2,995,000	(3,326,955)	-	2,170,435		4,489,938	(4,527,058)	-
									2,133,315

OCTAGON THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

Analysis of restricted project grants	2021/22					b/f and c/f 31/03/2022 01/04/2022 £	2022/23				
	Income		Expenditure		TTR & Transfers £		Income		Expenditure		TTR & Transfers £
	01/04/2021 £	£	£	£	£		£	£	£	£	31/03/2023 £
Theatre											
LGBT Foundation	-	4,818	(1,000)	-	-	3,818	-	-	-	(3,818)	-
	4,818	4,818	(1,000)	-	-	3,818	-	-	-	(3,818)	-
Learning and participation											
IGEN Trust	43,941	-	(23,095)	-	-	20,846	-	(20,846)	-	-	-
Oglesby	-	-	-	-	-	-	110,000	(7,712)	-	-	102,288
Bolton CVS - Unlocking wellbeing	-	-	-	-	-	-	14,625	(4,981)	-	-	9,644
Bolton CVS - Health and Wellbeing	6,651	-	(1,165)	-	-	5,486	-	(1,642)	-	-	3,844
Kickstart	-	-	-	-	-	-	5,979	(5,979)	-	-	-
The Ragdoll Foundation	-	12,000	(2,312)	-	-	9,688	12,000	(14,358)	-	-	7,330
Provincial/Walsh Trust for Bolton	-	2,500	-	-	-	2,500	-	-	-	(2,500)	-
Schools	-	-	-	-	-	-	6,709	(6,709)	-	-	-
National Lottery Community Fund - ReAct	37,457	20,609	(25,295)	-	-	32,771	10,304	(43,075)	-	-	-
	88,049	35,109	(51,867)	-	-	71,291	159,617	(105,302)	-	(2,500)	123,106

OCTAGON THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

17 STATEMENT OF FUNDS (continued)

Transfers 2022/23

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.

	Rebuild Reserves	Investment in fixed assets	New Designations	Total
	£	£	£	£
General fund	-	(33,691)	-	(33,691)
Designated - invested in Fixed assets	-	36,497	-	36,497
Designated - workshop removal	-	-	-	-
Designated - capital project	-	-	-	-
Designated - capital reserve	-	-	-	-
Designated - capital replacement	-	-	-	-
ACE CRF1	-	-	-	-
Learning and participation	-	-	-	-
Capital Project Grants & donations	-	(2,806)	-	(2,806)
	-	-	-	-

Transfers 2021/22

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.

	Rebuild Reserves	Investment fixed assets	New Designations	Total
	£	£	£	£
General fund	46,142	727,841	(21,467)	752,516
Designated - invested in Fixed assets	-	-	-	-
Designated - workshop removal	-	-	21,467	21,467
Designated - capital project	-	(302,460)	-	(302,460)
Designated - capital reserve	-	(66,834)	-	(66,834)
Designated - capital replacement	-	(14,046)	-	(14,046)
ACE CRF1	(46,142)	-	-	(46,142)
Learning and participation	-	-	-	-
Capital Project Grants & donations	-	(344,501)	-	(344,501)
	-	-	-	-

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	

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Company fund balances at March 31 2023

are represented by:-

	Unrestricted funds		Restricted	Total
	General	Designated	Funds	
	£	£	£	£
Fixed assets	-	849,814	-	849,814
Net current assets	1,352,923	106,050	123,106	1,582,079
Creditors due in more than one year	(298,578)	-	-	(298,578)
	<u>1,054,345</u>	<u>955,864</u>	<u>123,106</u>	<u>2,133,315</u>

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	2,531,388	(361,190)	(636,842)	1,533,716
Creditors due in more than one year	(298,579)	-	-	(298,579)
	<u>2,232,809</u>	<u>574,108</u>	<u>(636,842)</u>	<u>2,170,435</u>

Free Reserves:

	2023	2022
	£	£
Net current assets	<u>1,352,923</u>	<u>2,531,388</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 (2022 - none).

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

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Net income/(expenditure)	(33,931)	(363,012)	(37,120)	(331,955)
Add back depreciation	122,221	98,581	121,981	98,299
Deduct interest income shown in investing activities	(3,034)	(134)	(3,034)	(134)
Deduct profit/add back losses on disposals of FA	-	-	-	-
Decrease/(increase) in stock	(1,720)	(7,432)	-	-
Decrease/(increase) in debtors	65,914	(351,939)	82,819	(374,440)
Increase/(decrease) in creditors	293,188	177,740	271,848	164,525
Net cash generated from/(used in) operating activities	442,638	(446,196)	436,494	(443,705)

23 MOVEMENT IN NET DEBT

Group	at 31/3/22 £	cashflows £	Lease premium £	other non cash £	£
Cash and cash equivalents					
Cash at bank and in hand	1,161,132	409,174	-	-	1,570,306
Debt					
Bolton MBC re lease premium	(298,579)	-	(298,579)	-	(298,578)
Cash and cash equivalents net of debt	862,553				1,271,728
Charity					
Cash and cash equivalents					
Cash at bank and in hand	1,154,678	403,030	-	-	1,557,708
Debt					
Bolton MBC re lease premium	(298,579)	-	(298,579)	-	(298,578)
Cash and cash equivalents net of debt	856,099				1,259,130

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

24 LEASE COMMITMENTS

a Operating leases

In 2022, 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 2022 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.

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 (2022 - £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.