



POLKA CHILDREN'S THEATRE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2025

Registered Charity Number 256979

Registered Company Number 00938592

POLKA CHILDREN'S THEATRE LIMITED

Annual Report and Financial Statements for the year ended 31st March 2025

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POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025**

The trustees are pleased to present their report together with the financial statements of the charitable company for the year ended 31st March 2025.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Number:	256979
Company Number:	00938592
Company Secretary	Lynette Alston
Principal Office:	240 The Broadway, Wimbledon, London, SW19 1SB
Auditor	Buzzacott Audit LLP, 130 Wood Street, London, EC2V 6DL
Bankers	Barclays Bank plc, 8 Alexandra Road, Wimbledon, London, SW19 7JZ

Directors and Trustees

The Directors of the charitable company (the Company) are its Trustees for the purpose of charity law. Throughout this report they are collectively referred to as the Trustees. The following served as Trustees during the year and up to the date of signing this report, except where shown:

Acting Chair:	Fiona McLaren
Chair:	Dominic Proctor (deceased 20 th June 2025)
Treasurer:	Vincent O'Brien
	Victoria Aspden
	Michael Bradley
	Helen Clark Bell
	Alison Harpur
	Michael Lord
	Mark Macey (appointed 21 st May 2025)
	Catherine Manuel
	Arif Saad
	Kellie Williams-Jauvel

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****A VIEW FROM THE ACTING CHAIR**

It is with great sadness that I begin this report by sharing the news that our much-loved Chair of Trustees, Dominic Proctor, passed away in June 2025. Dom joined Polka in November 2022, shortly after our major redevelopment, and played a key role in helping us grow our reach and ambition. He brought immense kindness, energy, and wisdom to everything he did, and his generosity of spirit inspired us all. He will be deeply missed.

As Acting Chair, I'm proud to reflect on a year filled with creativity, growth, and impact. Our productions have reached more people than ever – both at our Wimbledon home and across the country through touring. Highlights include the Olivier-nominated *The Nutcracker*, our most successful winter production to date, and the Offie award-winning, hip-hop-infused *Romeo and Juliet*. These productions reflect our values: bold, inclusive, and pioneering theatre that creates magical and meaningful experiences for children and families.

We've also launched exciting new initiatives. The Polka Playwriting Award is the UK's first to champion professional new writing for 8 to 13-year-olds. Our *Catapult* artist development programme, launched in January 2024, is supporting emerging theatre-makers with training, mentoring, and performance opportunities – work the trustees are proud to champion.

Support from Arts Council England remains vital, but we continue to face challenges from declining public funding, reduced school budgets, and rising costs. Thanks to the generosity of our funders and sponsors, we've been able to expand *Curtain Up!*, offering free theatre tickets to schools in need, and continue our creative writing project *Write Here Write Now*, as well as launch new oracy project *Talking Tales*. Other generous funders have allowed us to welcome thousands to our free play spaces and to remain a Warm Welcome Space throughout winter. We are also delighted that supporters made possible the renovation of the flat that sits above our café which will now provide long-term rental income for our charitable activities. This year we have also been able to expand our commitment to environmental sustainability with improvements in our production process as well as in the garden.

Our impact would not be possible without our supporters – but equally we would not succeed without our dedicated staff, freelancers and volunteers, who were rightly recognised with the UK Theatre Award for Most Welcoming Theatre 2024. We are aware of the financial challenges we face as the trust and foundation landscape changes and we become more reliant on private funders, but with a strong board of trustees and the leadership of our two Chief Executives, supported by their brilliant teams, we look ahead to 2025 with confidence and optimism.

Fiona McLaren,

Acting Chair, Board of Trustees

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****STRUCTURE, GOVERNANCE AND MANAGEMENT****Governing Document**

Polka Children's Theatre Limited is a company incorporated in England and Wales, limited by guarantee, and governed by its Memorandum and Articles of Association dated 10th September 1968 and amended to allow for current governance arrangements on 16th October 1987, 14th October 1993 and 8th February 2012. It is registered as a charity with the Charity Commission.

Appointment of Trustees

As set out in the Articles of Association, the Trustees have the power at any time to appoint any person to be a member of the Board, either to fill a casual vacancy or as an additional member of the Board. Any person so appointed holds office only until the next Annual General Meeting and is then eligible for re-election. At each Annual General Meeting, one-third of the members of the Board retire from office.

Trustee Induction and Training

New Trustees receive briefings on the history of the company, their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Board and decision-making processes, the company plan and recent financial performance of the company.

Organisation

The Board of Trustees determines the long-term objectives of the company. It meets quarterly and detailed oversight is further assured through a structure of Board Working Groups covering finance, development, operations, community, and artistic and creative learning programming. The Board appoints executive officers, not being members of the Board, to discharge the artistic, administrative and other duties necessary for the proper functioning of the company.

The remuneration of the Executive Officers is recommended to the Board of Trustees by the Finance Working Group with reference to comparable salary levels within the subsidised theatre sector.

Executive Officers: Helen Matravers, Joint Chief Executive and Artistic Director
 Lynette Alston, Joint Chief Executive and Company Secretary

The Executive Officers represent Key Management Personnel and their cost of employment for the year totalled £121,810. The Trustees also represent Key Management Personnel and they received no remuneration during the year.

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)**Public Benefit**

In shaping Polka's objectives for the year and planning our activities, the Trustees considered the Charity Commission's guidance on public benefit and fee charging. The Theatre relies on grants and the income from sales, fees and charges to cover its operating costs. In setting the charity's programme of work and the level of fees, charges and concessions, the Trustees gave particular consideration to the accessibility of the theatre for those on low incomes and those with least opportunity to participate in cultural activities.

Objectives and Activities

The charitable objects of the company are to promote, maintain, improve and advance education, particularly by the production of plays for children and the encouragement of the arts, including the arts of drama, mime, puppetry, dance, singing and music.

The overarching mission of the organisation is *to empower children to navigate their world through inspirational theatre and creative experiences*. Polka wants to give as many children as possible, from all backgrounds, the opportunity to experience thrilling, innovative, world-class theatre, and creative learning opportunities, in a welcoming space that they can call their own.

Strategic Objectives

1. Produce an inspiring, diverse and inclusive programme of world-class theatre and creative learning opportunities for children aged 0-12
2. Be a locally, nationally and internationally valued organisation
3. Provide a welcoming and inclusive space dedicated to the playful inspiration of children, where families, schools and communities come together
4. Give as many children as possible, from all backgrounds, the opportunity to access the enriching theatre experiences Polka offers
5. Support children's learning and personal development
6. Drive pioneering practice within children's theatre
7. Be a financially sustainable and environmentally responsible organisation
8. Provide a respectful, inclusive and supportive environment for staff and volunteers to achieve their best for our beneficiaries

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)**Our Values**

- Child-centred - placing children at the heart of everything Polka does
- Community - engaging our diverse communities of children, families, educationalists and artists
- Excellent - pioneering, adventurous, offering the highest quality
- Memorable - creating magical, meaningful experiences
- Inclusive - welcoming, accessible, nurturing, supportive, representative

Overview

By the end of the year over 145,000 people had experienced our work (YE 2024: 136,000), including over 125,000 who visited our theatre venue (YE 2024: 114,000) and 20,800 who took part in Creative Learning activities (YE 2024: 20,400). We produced 9 in-house productions and co-productions seen by over 66,000 people, plus we received 21 visiting companies at our Wimbledon venue. We also had 9 productions and co-productions on tour nationally, reaching over 24,000 people in theatre venues, libraries and schools.

The company continued to be led by Joint CEOs Helen Matravers (Artistic Director) and Lynette Shanbury (Executive Director). We provided paid work for over 235 people, including over 120 freelancers. Nearly 100 people gave their time through volunteering, and 4,810 volunteer hours were contributed through our formal volunteering programme supporting Visitor Services.

Finance

The company performed strongly during the year thanks to excellent box office and fundraising performance, and careful management of resources. However margins remain tight, with little room for poor ticket sales performance, and we continued to feel the impact of growing overhead costs. This is particularly around staff cost increases linked to competitively rising salaries in the sector and due to our ongoing commitment to being an ethical Living Wage Employer. High energy prices and other generally higher costs of overheads such as cleaning, IT and building management services, are continuing to be hugely challenging and we are grateful for those supportive funders who have recognised this. As costs increase we must increasingly seek support through fundraising and individual donors to sustain a quality programme which is economically accessible to all (see 'Year in Review' section for more details of our funded and free activities).

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)**Finance** (continued)

Polka operates a mixed funding model, with both earned and funded income vital to enable the company to operate effectively. Our box office performed strongly during the year, due to careful marketing and well-chosen productions which attracted audiences, supported by expansion of our free, fully-funded ticketing programmes. We continue to mitigate against performance cancellations through bringing understudies in to cover the key performance periods, but this adds significantly to expenditure and is not viable for all productions.

Our school audiences continue to be affected by tightening school budgets. Thanks to generous support from funders we were able to continue our expanded Curtain Up! programme (free tickets to schools who otherwise were unable to afford to visit the theatre), giving away over 7,500 tickets during the year specifically via this programme alone (this will increase to 9,000 in following years thanks to funder commitments). Including free teacher and companion tickets, we gave away over 10,000 free tickets across all school bookings – which is 39% of all school ticket sales. Alongside strong cost control, support from funders, both public and private, proved fundamental in sustaining the core function of the organisation during the year, with only 50% of our income coming from earned sources during the year (57% in YE 2024).

Support from Arts Council England continued to be vital, accounting for 16% of our income (19% in YE 2024). We have continued as an Arts Council England National Portfolio Organisation for the 2023-27 period, which demonstrates Polka's ongoing importance in the English theatre ecology. However the standstill nature of the funding (essentially representing a real-terms cut) continues to present a significant challenge to ongoing operations.

During the year we completed the renovation of the flat, which sits above the Polka café. The work was almost entirely funded by generous supporters. The future rental income from the flat will be a long-term sustainable future income source for the company. The Loss on Revaluation results from the remodelling of the site to create a separate investment property, and to undertake building works to sure up the decaying fabric of the building which is attached to Polka (see Note 10). Looking ahead, delivering quality work at a time of declining public funding and growing overhead costs remains an on-going challenge. Polka is well placed to meet the priorities of public funders in such areas as creative education for children, mental health and wellbeing, community engagement and community cohesion, representation and diversity. These priorities will continue to be pressing over the next few years as we respond to the long-term impacts of the pandemic on children, the needs of schools facing increasing budgetary and timetable/curriculum pressures, and the cost-of-living challenges for many families.

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)**Risk Management**

The Board of Trustees has a risk management strategy which comprises:

- A regular review of the risks that the company may face, reviewed at each quarterly Board meeting
- The establishment of strategies and procedures to mitigate those risks
- The implementation of procedures designed to minimise any potential impact on the company should those risks materialise.

The principal risks and mitigations identified at 31st March 2025 were:

- High workload and stress on staff arising from a challenging sector environment. Additional temporary staffing and outsourcing is used to support key periods of high activity; mental health resources and training, alongside social activities, have also helped support staff.
- Loss of key staff, especially at senior level, with salary inflation and inability to fill key staff roles. Plus a sector skills drain particularly in key areas such as technical support and the challenges of retaining a diverse workforce due to cost of living (especially rental costs in London). This is addressed by robust recruitment processes and focus on team wellbeing and positive organisational culture and benefits to sustain Polka as an inclusive and happy place, and attract and retain staff; commitment to fair pay (Living Wage Employer) and salary benchmarking to ensure competitiveness; where practicable, we recruit for aptitude and provide training. Although staff turnover is challenging, Polka is proud to support talent development and staff training for people who will go on to work in the wider sector.
- Pressure on finances with rising costs of overheads and materials, higher energy prices, high pace of national level external economic changes, greater competition on funding, real-term funding cuts at local, national and international level, and challenges in raising box office and other earned income. This is addressed by tight cost control, reducing borrowing costs where possible and being responsive to opportunities for development; focusing on core aims of the charity to prioritise areas of delivery; continuing to build understanding of our position and strong relationships with current and new funders.

Attention has also been given to non-financial risks arising from the health and safety of staff and child protection, which are standing items on the risk register. These risks are managed by having robust policies and procedures in place, providing regular training for staff working in these operational areas and monitoring by staff safety and safeguarding teams, with oversight by the Board. Polka's Working Group structure enables a wider range of stakeholders to input to and influence decision making within the organisation, focusing on key areas including Artistic, Operations, Finance, Community, Teachers/Schools and Young Voices.

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)**Reserves Policy**

The Trustees have reviewed the company's reserves policy in line with the guidance issued by the Charity Commission and recognise the need to safeguard the organisation against potential reductions in grant-aided income, fluctuations in earned income and unplanned expenditure, particularly emergency repairs and maintenance to the theatre premises going forward. The reserves policy was revised during the year with the Trustees determining that a higher figure was now more appropriate, given the increased turnover of the organisation and the changed economic climate where costs and risks of financial challenges are higher. A minimum unrestricted general reserve target of £550,000 was therefore agreed, which equates to a level at least equal to three months' "core" revenue operating expenditure at normal operating levels.

In compliance with this policy, the unrestricted general reserves at 31st March 2025 amounted to £787,098 (2024: £688,701).

The Trustees recognise that unrestricted reserves may need to be utilised to support operations in this challenging environment (any such use will be agreed through the usual governance structure of the organisation). Nevertheless, Trustees consider that the current reserve levels remain appropriate for the organisation. In addition, the Board designates reserves for specific purposes out of unrestricted funds each year as required when approving the annual accounts. Expenditure out of designated reserves is then approved in accordance with normal authorisation policies. Designated reserves at 31st March 2025 amounted to £660,150 (2024: £463,573) (see Note 17 to the Accounts).

POLKA CHILDREN'S THEATRE LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31st MARCH 2025

YEAR IN REVIEW

Polka, based in Wimbledon, South West London, is a pioneering national theatre for children. The first UK venue to be created exclusively for young audiences, we specialise in work for children aged 0-12 years and remain one of very few theatres in the UK that regularly commissions and produces new work for children in this age range. Since 1979, we have built a local, national and international reputation and are recognised for the quality of our productions through which children explore the world and their relationship to it. We are at the forefront of developments in work for Early Years audiences and we champion 'Young Voices', providing children with a platform for their ideas and opinions by developing productions derived from their ideas and involving them in the creative process. We provide enabling, nurturing and safe environments to stimulate young minds and imaginations, and fuel a sense of discovery and open play.

Headlines for 2024/25

- Over 145,000 individual children and adults have experienced Polka's activities, with over 125,000 people coming to our venue – in total over 161,000 attendances at events and activities (including repeat attendances)
- 30 productions seen by 87,461 audience members at Polka across 763 performances, plus nine productions toured to venues nationally reaching over 24,000 audience members
- Just under 26,000 school children saw performances at Polka and our hip-hop inspired production of Romeo & Juliet toured to schools reaching a further 2,000 children
- 21% of all tickets were given away for free via funded programmes for schools and community, or via complimentary ticketing such as for Access Companion tickets
- 39% of all school tickets were distributed for free thanks to support by funders
- We sold 5,047 £10 tickets (7% of all sold tickets) – making sure our ticket prices remain accessible to all
- We delivered 37 adapted shows (15 BSL interpreted, 5 audio described, 4 captioned, 13 relaxed) to 3,957 audience members – plus three of our productions were access integrated
- We issued 970 Access Tickets and 861 free Companion Tickets (2.1% of all tickets)
- 1,326 Creative Learning events were attended by over 20,800 individual participants (including repeat visitors there were over 36,800 engagements) and over 56% of all participants took part for free
- Approximately 11,170 children and adults made use of our free, open access play spaces
- 20 young people took part in our annual work experience week
- We worked with 184 schools across London and the South East, with our funded projects primarily focused on East Merton, Croydon and Wandsworth
- 4,800+ individual children attended school workshops and nearly 1,400 at holiday workshops
- We provided free lunches to children in school holidays and a designated Warm Welcome space in the winter
- 98 volunteers gave their time (4,810 hours volunteered) – 50 new volunteers recruited

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****YEAR IN REVIEW** (continued)**Headlines for 2024/25** (continued)

- We gave 26 days of free R&D space to artists and companies, with 34 artists making use of this
- Polka was nominated for and won a host of awards and recognition: overall winner of Merton Best Business Award, as well as winner of Equality, Diversity & Inclusion and Sustainable Impact categories; Winner of UKTheatre's Most Welcoming Theatre 2024 Award; and *The Nutcracker* was nominated for an Olivier Award 2025

Productions and Touring

In total nearly 112,000 children and adults attended performances of shows (YE 2024: 104,000), across 1,100 performances in house and on tour.

In the Main Theatre, we began the year with *The Three Billy Goats Gruff*, a fully-inclusive co-production with Derby Theatre and Hiccup Theatre, directed by Derby's Artistic Director Sarah Bringham, which was the first of a three year programme of collaboration. The production premiered at Derby in the winter of 2023/4 before coming to Polka in the spring. With BSL as the first language of the show, and integrated audio description and creative captioning throughout, this cemented our commitment to inclusive theatre production and shared learning with the Derby team.

This was followed by the extraordinary *The Colour of Dinosaurs*, a production which began as a co-commission with Unlimited, investing in development of disabled-led work. Along with support from Bristol Old Vic's Ferment programme, the show was created by Otic Theatre company and Lloyd Coleman alongside world-leading Palaeontologist Jakob Vinther. The production was a gig-theatre exploration of fossils, melanin and identity, and spoke positively to children directly about difference. The audience feedback on the show was exceptional. In 2025 it toured to the Southbank Centre, Theatre Royal Stratford East, and will be touring nationally.

Our Main House production for the summer was a newly commissioned adaptation of *Sam Wu is NOT Afraid of Ghosts*, a book by Katie and Kevin Tsang. The production transferred to Worthing for a week following its six week run at Polka, and received an Offies Award nomination for Best Production.

Following an autumn visitor season, our festive winter production was *The Nutcracker*, a co-production with Little Bulb Theatre. Over 23,000 children and adults enjoyed this newly devised production, our most successful winter production ever. It received fantastic audience and critical feedback and was nominated for an Olivier Award in the Families category – recognition which Polka has never achieved before.

POLKA CHILDREN'S THEATRE LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31st MARCH 2025

YEAR IN REVIEW (continued)

Productions and Touring (continued)

Our final production of the year in the Main House was *The PEA and the Princess* – a co-commission with Singapore Rep Theatre. The show challenged stereotypes so often associated with fairy tales, and was written by Rachel Barnett Jones and played to particularly large half term houses.

In the Adventure Theatre we started the year with the final few weeks of new hip hop production of *Romeo & Juliet*, in a collaboration with Beats & Elements (Conrad Murray and Lakeisha Lynch-Stevens). Designed for children aged 9+ this high energy new commission completed its run in-house before going on a three week schools tour in spring 2025 reaching 2,000 children (**** *Thoughtful and slick*, The Stage). The show won an Offie Award for best sound and music, and was shortlisted for an Ettie Award. Methuen Publishing published the play-text which is now available for purchase across their outlets and in Polka's shop.

Following a spring visitor season, across the summer we hosted long runs of two early years productions by touring companies – *Handa's Surprise* by Little Angel Theatre, based on the classic book by Eileen Browne, and *How to Catch a Star* by Irish company Branar (made possible through additional Culture Ireland funding), based on the book by Oliver Jeffers. Both were received really well by audiences, with particularly strong nursey and schools attendance for *Handa's Surprise*.

Our baby show, *Soft or Spiky?*, made in co-production with Half Moon Theatre and previous Artistic Associate, Daryl Beeton, opened in the adventure theatre in October, before transferring to Half Moon and going on tour to 20 venues across the country in the following spring. The show featured a contemporary design by Ingrid Hu and sound design by Miss Jaqui.

For the winter season we collaborated with Gloucester based Can't Sit Still Theatre who produced *The Snowy Day*, a non-verbal dance performance for 1-4 year olds, devised by the company and adapted from the picture book, written and illustrated by Ezra Jack Keats. Following a successful run at Polka, including 5* reviews and an OffWestend Award nomination, the production toured to the Egg in Bath and then on a library tour of 9 venues in South Gloucester. It will be re-mounted at Z Arts in Manchester for Christmas 2025.

Finally in the Adventure Theatre we worked in co-production with Leeds Playhouse, AIK Productions and Turtle Key Arts to develop *Sister 360*, a new production written by acclaimed Bradford playwright Asif Khan inspired by real-life skateboarding sisters Layna, Maysa and Amaya, and their hero Sky Brown. Following an in-house run at Polka, during which the original inspiring sisters attended their first ever theatre performance, the production transferred to Leeds Playhouse and toured to community spaces and schools in Leeds. It was also performed in Bradford for the City of Culture festival. The production will tour to schools in spring 2026 before embarking on a UK wide tour.

POLKA CHILDREN'S THEATRE LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31st MARCH 2025

YEAR IN REVIEW (continued)

Productions and Touring (continued)

Across the year, audience feedback from post-show surveys of in-house productions showed that 88% of people think our artistic quality is good or excellent, and 98% would return to Polka.

In September 2024 we ran the second Big Dreams Early Years Theatre Festival. This biennial festival, which was originally developed as part of the Culture Europe funded *Mapping* programme, took place during three days across the whole of Polka's venue. Almost all of the five visiting productions programmed sold out: *Boxville* by Cardboard Adventures, *Kaleidoscope* and *Wondergig* by Filskit Theatre, *LàQua* by Italian company Teatro Koreja, and *The Sticky Dance* by Second Hand Dance. In our Clore Studio audiences experienced a free video installation by Scottish artist, Greg Sinclair named *Seashells*, which explored tongue twisters in eight different languages. Staff and volunteers provided free creative activities in our Play Den and garden to create a festival feel and make sure everyone was welcome. In the Main House we collaborated with Wimbledon BookFest to programme four early years authors (Debi Gliori, Tola Okogwu, Benji Davies and Jonny Duddle) who showed and talked about their books. As part of an Industry Day, we hosted 71 artists, Artistic Directors, programmers and producers, showcasing the Catapult Artists' work and creating future opportunities for them to progress their work. We also hosted two panel-discussions, one chaired by Lyn Gardner, exploring reviewing of TYA (Theatre for Young Audiences) work.

Alongside the Big Dreams performances, and the nine in-house productions we created, we hosted ambitious touring productions by 15 excellent UK-based and international Visiting Companies throughout the year. This included in our Main House *Luna Love Library Day* (Z Arts) and *The Storm Whale* (co-produced by Engine House, York Theatre Royal, and Little Angel Theatre). In our Adventure Theatre we welcomed some international guests – from Ireland Julie Sharkey with *An Ant Called Amy* explored themes of grief, and Kininso Koncepts from Nigeria created *Sandscape* through use of sand and song. Touring across Europe, collaborators Teatro4Garoupas from Germany and Carré Blanc Cie from France brought another world to life through contemporary dance piece *Chiffonade*.

We welcomed a diverse range of other performances by UK-based companies including Half Moon Theatre, indefinite articles, Hannah Lefevre, Xenia Aidonopoulou, Page One Theatre, Maya Productions, Watford Palace Theatre, Cardboard Adventures and NIE Theatre. We are committed to ensuring that touring companies, who face huge challenges in the current economic climate, find a supportive, professional and financially viable welcome at Polka, including multi-day runs, minimum fee guarantees and strong in-house technical support.

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****YEAR IN REVIEW** (continued)**Productions and Touring** (continued)

In addition to in-house productions, our coproductions toured across the UK including: *The Everywhere Bear* which finished its run at Little Angel Theatre; *The Snowflake* (coproduced with Birmingham Rep and Little Angel Theatre) played at Birmingham Rep before embarking on a tour to 18 libraries across the West Midlands (the production will come to Polka in winter 2025); *Tidy* our coproduction with Theatre Iolo undertook an eight venue tour across England and Wales, including The Sherman, the Egg in Bath, Aberystwyth Arts Centre and other community spaces – 11 shows were performed in Welsh and 24 shows in English by the bi-lingual company.

We further expanded our adapted shows programme, delivering 37 adapted performances (YE 2024: 32) to 3,957 audience members. Adapted performances are BSL interpreted, Audio Described, Relaxed and Captioned. These are in addition to the fully inclusive performances that were programmed.

Attracting major reviewers to see children's theatre, especially Early Years work, remains a challenge and we continue to work to raise the profile of and champion the importance of this fundamental part of the theatrical offer. Despite this we secured some excellent coverage through the year, with a feature in *The Stage* by Lyn Gardner focusing on our producing work, and our CEOs featured in *The Stage* 100.

A selection of reviews of productions from the year:

**** When it comes to making Shakespeare relatable for young people, you would be hard pressed to beat Baz Luhrmann's 1996 film version of the tragedy of star-crossed lovers. But here is a strong contender – a streetwise, sing-through hip hop 'remix' for ages nine to 12 and up, thoughtfully devised and slickly directed' (*The Stage* about *Romeo and Juliet*)

**** This energetic and engaging hip hop-infused rendition of Shakespeare's classic centres the drama in the community of South London and in doing so makes it fiercely relevant to all audiences (Everything Theatre about *Romeo and Juliet*)

Adaptations are a safe bet in children's theatre: turn a much-loved picture book into a stage show and you're guaranteed a head start in ticket sales. Hats off to Polka theatre ... for seeking inspiration instead from a 2008 scientific paper by Yale University's department of geology and geophysics. One of its co-authors, Danish palaeontologist Jakob Vinther, even appears alongside a five-strong band in this lively hour of gig-theatre for children aged four to 12 (*The Guardian* on *The Colour of Dinosaurs*)

POLKA CHILDREN'S THEATRE LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31st MARCH 2025

YEAR IN REVIEW (continued)

Productions and Touring (continued)

**** Heartwarming story of family legacy with an uplifting message and retro humour (The Stage on *Sam Wu is NOT Afraid of Ghosts*)

**** A rocket-fuelled, colourful comedy that celebrates friendship, imagination and diversity, all bundled up in an hilarious hour of laugh out loud entertainment! (Everything Theatre on *Sam Wu is NOT Afraid of Ghosts*)

**** A refreshingly 21st century sensory experience for babies and their adults. Smiles all round! (Everything Theatre on *Soft or Spiky?*)

**** Ebullient retelling of this rodent classic features rousing renditions of past Christmas hits, with extra cheese (The Stage on *The Nutcracker*)

***** More than just a fun day out, it was a powerful reminder of how theatre can ignite creativity and imagination in young people (Everything Theatre on *The Snowy Day*)

Artist Development

In the summer we launched the Polka Playwriting Award – the first award in the UK specifically seeking professional new writing creating for 8-13 year olds. As part of the new writing programme we delivered three online writing masterclasses with professional writers Hattie Naylor, Piers Torday and Paddy Hughes, with 54 attendees across the sessions. 81 scripts were submitted to the award. Following an anonymous extensive reading panel selection process, and a workshop with Polka Graduate ambassadors (12-15 year olds), we selected a winning script with Judges Chinonyerem Odimba, Joseph Coelho and Vicky Ireland. Dweeb-A-Mania was the winning entry, written by Sarah Middleton, which will also be published in partnership with Methuen Publishing as part of the Award and will be staged at Polka in Autumn 2025. The award is supported by The Garek Trust and Cockayne London Community Foundation.

Following the launch of our new Artist Development programme, Catapult, in January 2024, we also continued to work with the selected artists. Following an open call-out we received 96 applications for Catapult, from which six were selected. The selected artists worked with Polka for 12 months to develop theatre making-skills, company organisational skills and fundraising, as well as performance opportunities. The programme is particularly aimed at under-represented artists and producers including those from the Global Majority, who identify as disabled, LGBTQ+, or who come from a lower socio-economic background.

POLKA CHILDREN'S THEATRE LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31st MARCH 2025

YEAR IN REVIEW (continued)

Artist Development (continued)

We continued working with our three Associate Companies, who act as advocates for Polka's work nationally and have access to shows/rehearsal space where available. Polka also helps amplify their work more widely too. The Associate Companies are Second Hand Dance, Beats & Elements, and Tangled Feet.

Alongside development periods for our own productions, we offered free or reduced rate space where possible for artists/companies undertaking R&D for their own work. We gave 26 days of free R&D space to artists and companies, with 34 artists making use of this.

Networks and Sharing Learning

Staff contributed to debate and learning in the sector through involvement at various events. Our Artistic Director Helen Matravers delivered talks on directing and writing for TYA at Goldsmiths University and with Birkbeck Directing students, and our Executive Director Lynette Shanbury was on the panel discussion as part of the London Festival of Architecture. Our Head of Creative Learning Polly Simmonds delivered a talk for the Conference for EY International Curriculum Association, as well as shared learning with a number of sector peers such as Shakespeare's Globe. Sales & Ticketing Manager Laura Perry was a speaker at the SOLT/UKTheatre Ticketing Conference. We met and received visits by international visitors including from Oslo children's theatre Teaterhuset Kloden Teater, sharing good practice and ideas.

We provided placement opportunities for a number of higher education students, including from Guildford School of Acting (10 week placement across Producing and Creative Learning), and a Birkbeck University Directing student placement who joined us from September 2024 for 10 months and worked closely with our in-house producing team and directors. We also hosted a marketing intern from the Royal Opera House, offering opportunities to learn about different work environments in the sector.

We continued our relationship with Wimbledon College of Arts who made props and interactive play pieces as well as decorations for our Big Bash annual fundraiser, and presented a sharing of their work developed as part of a collaborative course module on Puppetry and Early Years performance, at Polka.

We hosted a number of locally important events, including the Evolving Wimbledon conference, profiling Wimbledon's opportunities and potential for growth, with Executive Director Lynette Shanbury joining a panel to discuss the local cultural offer. We also hosted the Wimbledon International Short Film Festival, who returned following previous events.

POLKA CHILDREN'S THEATRE LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31st MARCH 2025

YEAR IN REVIEW (continued)

Creative Learning: Participation, Schools & Community

Our extensive and ambitious Creative Learning programme sits alongside our productions as a key part of our strategic delivery. In total, 20,800 individual children took part in Creative Learning Activities across 36,824 experiences. We delivered 1,326 events and estimate 85% of event participants were new to Polka. 50% of our Creative Learning activities were provided to beneficiaries for free, thanks to support from funders, and 56% of people who took part in Creative Learning activities did so for free. Our Community Working Group continued to meet quarterly, and the Teacher's Advisory Group continues to ensure we have access to advice and feedback from our beneficiaries and the wider community, reflecting their real-time needs and demands.

Community

Our *Polka Invites* community membership scheme, set up in 2021, continued – this funded 'members' programme aims to increase access to creative experiences for marginalised families in our community. These families have been referred to us by Merton Children's Centres and community groups such as Polish Families Associations, Merton SENDIS, Care4Calais, Merton Home-Start, TLC (supporting people through abuse and relationship breakdown), Merton Young Carers and Christian Care. Through their memberships, families are able to access free Polka production tickets, Saturday Club, Take Part holiday and termly workshops. By the end of the year we had 668 *Polka Invites* participants (167 families) taking up free tickets to shows, coming to drop-in workshops and attending Saturday Clubs. Over 1,150 free community tickets to shows were distributed, and 599 free places on workshops were taken up. We ran 28 free creative community workshops at venues in our local area, and across our 10 Saturday Clubs (community story-telling and creative activities) 346 participants took part.

'Thank you for giving my kids such a great opportunity to also experience theatre, singing, dancing and learning like never before. As I could never afford to bring them in such a place. I am so grateful.' (feedback from Polka Invites parent)

Freefalling is our long-running flagship funded programme, working with referred children who are in challenging circumstances at home or at school. We continued to work with two *Freefalling* groups this year – Freefalling Foundation and Young Company – who both performed during the summer on the Polka stages. 93% of participants said it helped with their confidence, and 100% agreed they had made new friends.

'Our students have experienced challenge in their lives that could have significantly damaged their self-esteem and self-confidence. Freefalling has allowed them to grow in so many positive ways. They have learnt how to express themselves in a safe and encouraging environment and we have watched them flourish with regards to their confidence, social skills and self-expression.' (Teacher feedback)

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****YEAR IN REVIEW** (continued)**Creative Learning: Participation, Schools & Community** (continued)*Community (continued)*

Putting children's voices at the heart of our work is a core organisational value. Our *Younger Voices* (4-6yrs) and *Young Voices* (7-12yrs) groups are our sounding board for projects, reviewing shows and activities, and giving us feedback and ideas to improve our building, ensuring children's voices remain at the heart of our work.

Free community bookings on Thursday mornings in our Clore Learning Studio sensory suite continued, allowing us to strengthen existing relationships and build new ones with a number of community and SEND groups such as Merton Sensory Support Services, Wandsworth Support Services, Merton Health Visiting Team, Merton Homestart, Hestia (charity that supports adults and children in times of crisis) Merton SENDIS, Young Parents (Merton Children's Centres), Polish Families Association and Ukrainian refugee groups, isensory (Wandsworth community interest company), and SEN Talk CIC (Wandsworth based community interest company that supports children with additional communication needs).

During the winter Polka was again listed as an official 'Warm Welcome Space', open 6 days per week. Polka's importance as a community hub and open-access free play space was retained thanks to ongoing support from donors who enable us to keep these spaces open despite high energy and staffing costs. Across the year we estimate there were over 11,170 visits by people making use of our free indoor and outdoor play areas. Over the school holidays, in response to the cost-of-living crisis, and in partnership with Dons Local Action Group, we provided free lunches for any children who needed it in our café every Tuesday.

Schools

We worked with 184 schools during the year, through both funded and paid-for programmes.

Write Here Write Now, our funded creative writing and literacy project that supports Year 3 children, worked with 7 schools (including one SEND school). 70 children participated, writing stories together that were shared by authors and actors on our Main House stage with the children and their families invited to attend. The programme began its sixth year in spring 2025.

In September 2024 we launched *Talking Tales*, a new two year drama project aiming to support Key Stage 1 teachers to strengthen pupils' oracy skills, particularly for those disproportionately affected by the pandemic.

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****YEAR IN REVIEW** (continued)**Creative Learning: Participation, Schools & Community** (continued)*Schools (continued)*

Our flagship *Curtain Up!* Programme continued – now in its 30th year – providing free tickets to school groups who otherwise would not be able to attend. During the year we distributed over 7,500 tickets across 102 schools, of which 23.5% were schools new to us. Following *Curtain Up!* performances children get the opportunity to meet the performing companies and ask them questions, adding to their quality of experience. Thanks to support from funders, and responding to the challenging financial circumstances that schools have continued to find themselves in, we were able to increase our Curtain Up! scheme from 7,500 to 9,000 tickets for academic year 2024/5.

'Thank you so much for having us! It was such a magical day for our children. Polka Theatre is a fantastically inclusive space...most have never been anywhere like this before.' (Curtain Up! teacher feedback)

We offered 20 young people aged 15-17 the opportunity to undertake a week of work experience. The group spent time with all departments at Polka including production, marketing, fundraising, creative learning and visitor services, and presented their idea for a production at the end of the week.

We work directly with Special Educational schools and units to ensure that children with disabilities are able to make the most of their time at Polka Theatre. We delivered 20 SEND workshops in our Sensory Space studio for 6 schools and ran a number of SEND workshops in school venues, including Lavender Lodge School, Blossom House, Park House School and Cricket Green School.

We continued to expand our paid-for schools activities too, delivering a range of in-school day-long workshops, hosting schools at our venue for after show workshops, and delivering after-school activities.

Participation

We have an extensive weekly workshop programme, with additional school holiday programmes. We continue to offer the Discover and Explore Arts Awards to our Act 2 and Youth Theatre children – the programme is run alongside their normal weekly session. During the summer 2024 term, 46 children – 11 children from our Act 2 and Youth Theatre – took their Explore and Discover Arts Awards. During spring 2025 term, 13 children from Act 2 and Youth Theatre (6 of whom are Polka Invite members) plus 22 children from Freefalling Young Company took Arts Awards. All participants receive certificates from Trinity College, London to celebrate their amazing achievements.

POLKA CHILDREN'S THEATRE LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31st MARCH 2025

YEAR IN REVIEW (continued)

Creative Learning: Participation, Schools & Community (continued)

Participation (continued)

Children and families continue to need support in all our activities – with over 403 Creative Learning sessions requiring additional support for SEND or welfare needs. We continue to expand our inclusive theatre and creative learning work in response to this clear and growing need from our communities.

Awards and Recognition

- Winner of UKTheatre's Most Welcoming Theatre 2024
- The Nutcracker was nominated for an Olivier Award 2025
- Overall winner of Merton Best Business Award, as well as winner of Equality, Diversity & Inclusion and Sustainable Impact categories
- Shortlisted for Audience Impact & Innovation Award for our Take Your Seats programme, at the Fantastic for Families Awards 2024
- Shortlisted in Outstanding Drama Initiative category at Music & Drama Education Awards 2025 for our ongoing Freefalling programme
- Time & Leisure Food & Culture Award winner for Family Attraction of the Year, and finalists in two other categories
- Joint CEOs Helen Matravers and Lynette Shanbury listed in The Stage 100 most influential list

We received some excellent recognition through the year. Our productions received a number of Offies Award nominations during the year, including two for *The Colour of Dinosaurs* (performance and music), production nomination for *Sam Wu is NOT Afraid of Ghosts*, performance and design nominations for *The Nutcracker*, production nomination for *The Snowy Day*, and four nominations for *Romeo & Juliet* (who won for best sound and music). In addition, a number of the Visiting Company productions were nominated: *Boxville* by Cardboard Adventures and *Macbeth* by NIE Theatre.

Associate company Tangled Feet were winners at the Fantastic For Families Awards 2024, with their production of *Belongings* which premiered at Polka. Volunteer Coordinator Ray Standeven was again nominated for Volunteer Manager of the Year at the Merton Partnership Civic Pride Awards.

Capital

During the year we undertook and completed the renovation of our flat, which sits above our café. The work was almost entirely funded by generous supporters, allowing the future income generated through rental to go straight towards our charitable activities including Curtain Up!. The first tenants moved into the flat in February 2025.

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****YEAR IN REVIEW** (continued)**Capital** (continued)

We continued to fundraise for our project to improve the Main House, which was largely excluded from our recent major redevelopment for financial reasons. The target was achieved in May 2025 and the major works will take place in August to October 2025, requiring a planned eight week closure of the main house. Some other improvements already took place during 2024, including replacement of all single glazed windows backstage with double glazing, drastically improving the comfort and energy efficiency of those spaces.

We were informed in February 2024 that the main contractors for our recent capital redevelopment, ITC Concepts, had gone into administration. Following the most recent report from the administrators it looks very unlikely that any unsecured creditors (including Polka) will receive any funds. We have retained our Restricted Capital Redevelopment Fund to support any outstanding defects that may occur as a result of ITC Concepts not rectifying all defects, but there is no current impact on the operational ability of the building.

Environmental Sustainability

Our staff-led Green Team champions environmental sustainability across the organisation, with the aim of continuing improvements to our own environmental impact as well as finding ways to influence and inspire our community to be greener.

We secured funding to bring in a community gardener to improve our garden and outdoor areas, including working alongside volunteers to encourage their engagement outdoors. This three-year funding also includes supporting family activities in the garden, which our Creative Learning team are leading through activities such as our Saturday Club. To further improve the garden we secured funding to add additional seating and sensory play equipment, designed in the same open-play style as our outdoor play area equipment, and opened to the public in September.

As part of the Act Green initiative led by Indigo (who gather information across the industry to better understand our audiences), we surveyed our audiences. This told us that 79% of survey respondents felt Polka placed great or some importance on playing an active role in tackling climate change. We are also looking at ways we can improve the environmental impact of our production process. During the year our coproduction of *The Snowflake*, which premiered at Birmingham Rep and will come to Polka next winter, was developed using Green Book principles, a theatre industry initiative to tackle climate change by aiming to achieve the highest standard of sustainable production creation.

As a children's theatre, Polka is in a unique position to spark children's enthusiasm for their environment, and sustainability is regularly part of our theatre and creative workshops programming. Some of our visiting company shows such as *Early Weaves* and *Boxville* brought messages of nature and re-use, and family activities at Saturday Clubs have included bug hotel and plant pot making.

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****YEAR IN REVIEW** (continued)**Environmental Sustainability** (continued)

We participate in Love Wimbledon's business community and sustainability goals, helping to discover local ways to reduce, reuse and recycle in Wimbledon. We have a travel strategy that promotes sustainable transport amongst staff and visitors, and local and sustainable procurement policy for the café and shop. Where possible we source office furniture and equipment through recycling companies such as Reyooz. Our print brochure is certified 'Planet Positive', certified carbon neutral, and printed by an eco-accredited factory on a carbon neutral press. We no longer print 'free sheets' for our shows and instead made them downloadable pdfs sent out to customers prior to performances, and ticketing is digital rather than printed. We have food waste recycling in our café and office kitchens. Whenever possible, materials and costumes from previous shows are reused, and clothes no longer likely to be used are taken to charity shops.

Our electric van is our key form of transporting sets between our workshop and the theatre, and all other local transport needs. During the year our 46 solar (PV) panels generated 29,548.6kWh, which is enough electricity to power about 11 average homes. Through use of First Mile waste services we ensure zero to landfill, with 5,850kg of waste converted to energy and saving 15.9 tonnes of CO₂, and a 53% recycling rate for the year.

As noted above, we are continuing to improve the 'old' side of the building including the Main House. Improvements actioned this year include replacing the single-glazing in the dressing rooms.

Organisational Resilience

Strongly controlled expenditure, prioritising marketing efforts to support sales, and robust fundraising continue to be vital to ensuring the financial sustainability of the company. Throughout the year we continue to review all our supplier relationships, to ensure value for money and service.

As a charity, we are very mindful of the need to ensure our activities remain economically accessible for our audiences to sustain our community engagement – this is particularly important for families. Alongside our free, open-access play spaces and our fully funded community and school programmes, we are committed to ensuring affordable ticket prices, with £10 tickets available for every Main House performance. We sold 5,047 £10 tickets (7% of all sold tickets) – making sure our ticket prices remain accessible.

We provided paid work for over 235 people, including over 120 freelancers, and continued to support staff through training such as Access and Inclusion training. We continue to work hard to ensure our freelancers and performing companies feel part of the Polka team during their time with us, in an industry where being a freelancer can be very challenging.

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****YEAR IN REVIEW** (continued)**Organisational Resilience** (continued)

We continue to drive earned income through ancillary sales wherever appropriate, including via our café, shop and private hires. During the year just over 3,500 people came to 80 private hire events, we sold 25,983 hot drinks, and 1,876 books. Our café was deemed 'very good' in the Healthier Catering Commitment for London mark.

Our Volunteering programme continues to support operations primarily in the Visitor Services team, ensuring the best possible welcome to Polka for our audiences and participants. Over 4,810 volunteer hours were contributed across 1,449 shifts in our formal volunteering programme by 98 volunteers, with many more hours contributed by informal volunteers. We recruited 50 volunteers during the year. Our volunteers are a very diverse group, with 23% identifying as disabled, and 22% as neurodiverse; 15% identify as bisexual/gay/lesbian/queer or other. This continues to be an important programme in providing additional resource for the charity, but also to provide isolated members of the community with social activities, cementing Polka's position as a community hub.

In the previous financial year the theatre was a victim of a scam attack and what we considered to have been a mis-handling of the incident by our bankers. This resulted in loss of significant funds. In January 2025, having recovered some of the funds and taken the case to the Financial Ombudsman, Polka agreed a settlement with our bankers. At the date of signing the accounts 90% of funds have been recovered, and the Trustees consider the settlement to be in the best interests of the charity, particularly given the costs involved in taking the matter further. A sub-group of Board members, identified for their expertise and skill with finance and law, was appointed to oversee the response to the incident. A full internal review of the incident took place to identify areas where improvements could be made and actions taken to prevent similar future occurrences have included regular staff cyber-fraud training and awareness raising. The incident was also reported to the Charity Commission and through Action Fraud. Due to adequate cash reserves, the impact of this event has not affected Polka's ability to deliver operationally.

Fundraising Policy

We raise a limited percentage of our revenue funds from members of the public. We are registered with the Fundraising Regulator and all fundraising conducted on behalf of Polka, whether by committees, volunteers or staff, must comply with the Code of Fundraising Practice, Polka's policies and all relevant legislation. No complaints were received in the year about fundraising practices.

POLKA CHILDREN'S THEATRE LIMITED**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31st MARCH 2025****YEAR IN REVIEW** (continued)**Future Plans**

In the year ahead Polka will continue to drive forward our current successful strategy and project delivery. This includes:

- Continue to develop and present an inspiring, diverse and inclusive programme of world-class theatre and complementary creative learning opportunities across 0-12 age range
- Build our national reputation and reach through significant artistic partnerships and engagement in flagship TYA sector activities
- Seek to continuously improve our building and systems for efficiency and environmental sustainability
- Balance social, artistic and financial aims for financial sustainability
- Continue to resource successful projects, including key new programmes which launched in 2024 – Catapult, the Polka Playwriting Award, Talking Tales and schools touring

During the year we will be reflecting on our strategy and developing our plans through to our 50th anniversary in 2029/30.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and 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 that give a true and fair view of the state of affairs of the company and of its surplus or deficit for that period. In doing so, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enables them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for

POLKA CHILDREN'S THEATRE LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31st MARCH 2025

the prevention and detection of fraud and other irregularities.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

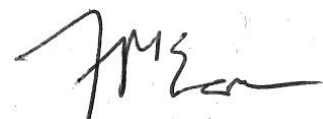
In accordance with company law, as the company's directors, we certify that:

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

AUDITOR

A resolution will be proposed at the Annual General Meeting that Buzzacott Audit LLP be re-appointed as auditor to the company for the ensuing year.

This report was approved by the Trustees on 26th September 2025

A handwritten signature in black ink, appearing to read 'Fiona McLaren', is positioned above the printed name.

Fiona McLaren, Acting Chair

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF****POLKA CHILDREN'S THEATRE LIMITED****Independent auditor's report to the members of Polka Children's Theatre Limited****Opinion**

We have audited the financial statements of Polka Children's Theatre (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 charitable company's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

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

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF****POLKA CHILDREN'S THEATRE LIMITED****Other information** (continued)

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, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law, 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF****POLKA CHILDREN'S THEATRE LIMITED****Auditor's responsibilities for the audit of the financial statements**

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.

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

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011, Companies Act 2006 and those that relate to data protection (General Data Protection Regulation).

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

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

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

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

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF****POLKA CHILDREN'S THEATRE LIMITED****Auditor's responsibilities for the audit of the financial statements** (continued)

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

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

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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



Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 06 October 2025

POLKA CHILDREN'S THEATRE LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
INCOME FROM					
Grants and donations	2	793,976	925,466	1,719,442	1,284,042
Charitable activities	3	1,776,387	-	1,776,387	1,709,424
Investment income	4	49,418	-	49,418	16,334
Other income	24	75,254	-	75,254	-
Total Income		2,695,035	925,466	3,620,501	3,009,800
EXPENDITURE ON					
Raising funds	5	141,220	-	141,220	148,901
Charitable activities					
Operation of theatre and related activities	5	2,110,957	1,121,205	3,232,162	2,951,098
Exceptional items	24	-	-	-	103,254
Total Expenditure		2,252,177	1,121,205	3,373,382	3,203,253
Net Income / (Expenditure)		442,858	(195,739)	247,119	(193,453)
Loss on disposal	9	(48,038)	-	(48,038)	-
Unrealised (losses) on investments	10	(118,235)	-	(118,235)	-
Net movement in funds		276,585	(195,739)	80,846	(193,453)
Balance at 1st April 2024		2,178,409	7,589,816	9,768,225	9,961,678
Balance at 31st March 2025		2,454,994	7,394,077	9,849,071	9,768,225

All income and expenditure is derived from continuing activities.

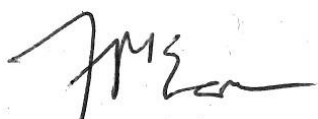
The statements of financial activities includes all gains and losses recognised during the year.

POLKA CHILDREN'S THEATRE LIMITED**BALANCE SHEET****AS AT 31st MARCH 2025**

	Notes	2025	2024
		£	£
FIXED ASSETS			
Tangible Assets	9	8,236,657	8,691,242
Investment Property	10	250,000	-
CURRENT ASSETS			
Stock	11	17,896	15,226
Debtors	12	525,810	529,665
Cash at bank and in hand		1,236,055	921,363
		1,779,761	1,466,254
CREDITORS: Amounts falling due within one year	13	(405,997)	(358,932)
NET CURRENT ASSETS		1,373,764	1,107,322
Total assets less current liabilities		9,860,421	9,798,564
CREDITORS: amounts falling due after more than one year	14	(11,350)	(30,339)
NET ASSETS		9,849,071	9,768,225
THE FUNDS OF THE CHARITY			
Unrestricted			
General Fund	15	787,098	688,701
Revaluation Reserve	16	1,007,746	1,026,135
Designated Reserves	17	660,150	463,573
		2,454,994	2,178,409
Restricted			
Capital Project Fund	18	6,812,548	7,117,983
Capital Project Phase 2	18	200,567	-
Other Restricted Funds	18	380,962	471,833
		9,849,071	9,768,225

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

The financial statements were approved by the Board of Directors on 26th September 2025 and signed on their behalf by:



Fiona McLaren, Acting Chair

Company Number: 00938592

POLKA CHILDREN'S THEATRE LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31st MARCH 2025**

	2025	2024
	£	£
OPERATING ACTIVITIES		
Net income (expenditure) for the reporting period	80,846	(193,453)
Depreciation charge	364,962	370,248
Loss on revaluation of investment property	118,235	-
Loss on disposal of assets	48,038	-
Interest payable	3,627	6,440
Investment income	(42,043)	(16,334)
Decrease (increase) in debtors	3,855	(239,359)
Increase (decrease) in creditors	63,269	(142,327)
(Increase) in stock	(2,670)	(8,372)
Net cash provided by (used in) operating activities	638,119	(223,157)
INVESTING ACTIVITIES		
Purchase of assets	(326,650)	(119,451)
Investment income	42,043	16,334
Net cash (used in) investing activities	(284,607)	(103,117)
FINANCING ACTIVITIES		
Interest payable	(3,627)	(6,440)
Loan repayment	(35,193)	(36,201)
Cash flows from financing activities	(38,820)	(42,641)
Change in cash and cash equivalents in the reporting period	314,692	(368,915)
Cash and cash equivalents at the beginning of the reporting period	921,363	1,290,278
Cash and cash equivalents at the end of the reporting period	1,236,055	921,363

Analysis of cash and cash equivalents:

	2025	2024
	£	
Cash in hand	1,236,055	921,363
	1,236,055	921,363

POLKA CHILDREN'S THEATRE LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31st MARCH 2025****Reconciliation of changes in net debt:**

	1 April 2024 £	Cash Flows £	Other Non- cash movements £	31 March 2025 £
Cash and cash equivalents				
Cash at bank and in hand	921,363	314,692	-	1,236,055
	921,363	314,692	-	1,236,055
Borrowings				
Mortgage due within one year	(35,201)	31,566	(15,362)	(18,997)
Mortgage due after more than one year	(30,339)	-	18,989	(11,350)
	(65,540)	31,566	3,627	(30,347)
Total cash and cash equivalents	855,823	346,258	3,627	1,205,708

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****1. ACCOUNTING POLICIES****Accounting Convention**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102), with the Companies Act 2006, and with applicable Accounting Standards. They have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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

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

The principal accounting policies adopted in the preparation of the financial statements are set out below.

Going concern

The Trustees have considered the requirement that the financial statements should be prepared on a going concern basis. They have discussed the potential impact of shorter and longer term trends, such as ongoing cost of living issues, on the charity's operations in 2025-26 and beyond. They have concluded that it is appropriate that the financial statements be prepared on a going concern basis.

Risks continue to be managed through risk assessments and scenario planning as new external and internal factors arise. The 2025-26 budget includes conservative estimates on box office income and includes plans for use of the designated legacy donation. The 2026-27 forecast is based on a small surplus. The charity has on-going support from its funders, with significant grants secured focused on supporting core operations, including Arts Council England NPO status to 2027. As at the end of July 2025, the charity has secured approximately 38% of its budgeted revenue target for voluntary income or donations in 2025-26.

Taking into account the above, as well as the charity's cost base and reserves position at 31 March 2025 and having looked at least 12 months from the date of signing these accounts, the Trustees have concluded that there are no material uncertainties about the charitable company's ability to continue as a going concern.

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****1. ACCOUNTING POLICIES** (continued)**Income**

Income represents monies received from grants and donations, from the productions staged in the theatre, or on tour, from Creative Learning activities, miscellaneous items effected through the theatre's ancillary operations and net fees receivable from productions after deducting percentages withheld by theatres. Income is deferred when admission fees are received in advance of the performances to which they relate.

Income from donations and grants is accounted for when the charity is entitled to the income, the receipt is probable and the amount can be estimated with reasonable certainty.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from charitable activities represents the total value of box office income, royalties from transfers and tours and other ancillary income received by the group from customers during the year, excluding value added tax.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The majority of costs are directly attributable to specific activities. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources and estimated amounts attributable to that activity in the year. The classification between activities is as follows:

Expenditure on raising funds includes all expenditure on fundraising events, corporate activities, and an allocation of staff costs.

Expenditure on charitable activities includes the production and administrative costs of the operation of the theatre and the production of plays, including depreciation on related assets.

Pre production costs are expended in the year they are incurred, tracked by production.

Allocation of support and governance costs

The majority of costs are directly attributable to specific activities. Office costs and property-related costs, which cannot be directly attributed to particular activities, are apportioned consistent with the use of resources. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****1. ACCOUNTING POLICIES** (continued)**Tangible Fixed Assets**

Tangible fixed assets with an economic life of more than one year are capitalised if their cost exceeds £1,000.

The freehold and leasehold buildings that constitute the theatre and attached lands were revalued at £1,575,000 in the 2014 year, with the uplift in value being credited to the revaluation reserve. This was undertaken as allowed under the transition to FRS 102 with the revalued amount being treated as deemed cost from this point. The additional depreciation charge that results from this uplift in valuation is set against the revaluation fund each year.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful life. The annual rates used, which are applied on a straight line basis, are currently as follows:

Freehold buildings and long term leasehold	50 years
Plant and machinery	10 years
Building redevelopment project:	
Core building	50 years
Plant and machinery	15 – 20 years
Fixtures and fittings	5 – 10 years
Theatre Equipment	3 – 15 years
IT Equipment	3 years

Investment Property

Investment property, which is property held to earn rentals, is included in the accounts at fair value which is the estimated current market value of the property based on open market value. The valuation has been determined by the Trustees after consultation with professional property advisers. Gains and losses on the revaluation of investment properties are included in the statement of financial activities.

Stocks

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

Debtors

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

Cash at bank and in hand

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

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****1. ACCOUNTING POLICIES** (continued)**Creditors and provisions**

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

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. These are initially recognised at transaction value and subsequently valued at their settlement value.

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Pensions

All eligible and entitled workers for the company are able to participate in its registered auto-enrolment pension scheme operated by NOW Pensions. This scheme is open to any employee over 16 who has been with the company for at least 3 months and earns above the relevant earnings threshold. The company currently offers an employer's contribution of 3% of the employee's gross earnings, rising to 4% after one year of employment.

Theatre Tax Relief

Theatre Tax Relief (TTR) is taken into account when the amount recoverable can be reasonably estimated and the receipt is probable.

Taxation

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

Operating lease agreements

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

Fund accounting

The reserves of the charity are as follows:

Restricted funds comprise monies set aside for particular projects or purposes in accordance with the instructions of the grantor.

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

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

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****1. ACCOUNTING POLICIES** (continued)**Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the members of the executive management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets;
- valuation of investment property; and
- apportionment of expenditure across each activity.

2. GRANTS AND DONATIONS

Polka continues to be part of Arts Council England's National Portfolio Organisations – with a renewed funding agreement for 2023-27 confirmed. We continued to build corporate support through sponsorship of events and corporate giving, and we continued to receive project and core support from a wide range of trusts and foundations.

	Unrestricted	Restricted	Total 2025
	£	£	£
Grants			
Arts Council England, London Revenue grant	580,711	-	580,711
London Borough of Merton Revenue grant	33,180	-	33,180
London Borough of Merton Project grant	-	29,347	29,347
	<u>613,891</u>	<u>29,347</u>	<u>643,238</u>

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****2. GRANTS AND DONATIONS (continued)**

	Unrestricted	Restricted	Total 2025
	£	£	£
Sponsorship and Donations			
Core			
- The Vernon N Ely Charitable Trust	10,000	-	10,000
- Others	170,085	-	170,085
Access			
- The Calleva Foundation	-	51,000	51,000
- Others	-	91,560	91,560
Creative Learning			
- Icon Solutions	-	12,000	12,000
- Others	-	34,074	34,074
Volunteer Programme			
- Others	-	5,810	5,810
Building Improvement / Capital			
- Ernest Hecht Charitable Foundation	-	150,000	150,000
- Chan Yin Chuen Memorial Charitable Foundation	-	130,000	130,000
- Individual Giving / FP Families	-	3,407	3,407
- Others	-	94,244	94,244
Artist Development			
-The Garek Trust	-	45,000	45,000
Curtain Up!			
- The Garek Trust	-	45,000	45,000
- Ernest Hecht Charitable Foundation	-	30,000	30,000
- Christina Smith Foundation	-	12,000	12,000
- The Calleva Foundation	-	10,000	10,000
- The Hugo Halkes Charitable Trust	-	4,000	4,000
- Others	-	9,891	9,891
Write Here Write Now			
- Others	-	45,256	45,256
Take Your Seats			
- Others	-	7,125	7,125
Talking Tales			
- Paul Hamlyn Foundation	-	70,750	70,750
- Others	-	2	2
Schools tour			
- The Garek Trust	-	45,000	45,000
Total Sponsorship and donations	180,085	896,119	1,076,204
Total	793,976	925,466	1,719,442

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****2. GRANTS AND DONATIONS (continued)**

	Unrestricted	Restricted	Total 2024
	£	£	£
Grants			
Arts Council England, London Revenue grant	580,711	-	580,711
London Borough of Merton	39,784	-	39,784
Other grants	323	44,388	44,711
	<u>620,818</u>	<u>44,388</u>	<u>665,206</u>
	Unrestricted	Restricted	Total 2024
	£	£	£
Sponsorship and Donations			
Core			
- Starkie Bence Charitable Trust	72,100	-	72,100
- The Vernon N Ely Charitable Trust	10,000	-	10,000
- Others	102,834	-	102,834
Access			
- The Calleva Foundation	-	44,000	44,000
- Others	-	93,293	93,293
Creative Learning & Freefalling			
- Icon Solutions	-	12,000	12,000
- Others	-	28,065	28,065
Volunteer Programme			
- Others	-	2,000	2,000
Building Improvement / Capital			
- The Wimbledon Foundation	-	50,000	50,000
- Backstage Trust	-	25,000	25,000
- Individual Giving / FP Families	-	8,545	8,545
- Others	-	2,000	2,000
Artist Development			
- Cockayne and the London Community Foundation	-	15,000	15,000
Curtain Up!			
- Ernest Hecht Charitable Foundation	-	27,500	27,500
- The Doris Pacey Charitable Foundation	-	25,000	25,000
- Others	-	61,024	61,024
Write Here Write Now			
- Others	-	17,900	17,900
Take Your Seats			
- BBC Children in Need	-	10,000	10,000
- The Hugo Halkes Charitable Trust	-	4,000	4,000
- Others	-	8,575	8,575
Total Sponsorship and donations	<u>184,934</u>	<u>433,902</u>	<u>618,836</u>
Total	<u>805,752</u>	<u>478,290</u>	<u>1,284,042</u>

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****3. INCOME FROM CHARITABLE ACTIVITIES**

	2025	2024
	£	£
Box Office	1,067,330	1,005,060
Creative Learning	126,385	128,114
Royalties, touring and co-production fees	38,344	86,038
Merchandising	39,424	43,194
Café and shop	246,912	238,342
Lettings and hires	76,916	62,934
Theatre tax relief	181,076	145,742
	<u>1,776,387</u>	<u>1,709,424</u>

4. INVESTMENT INCOME

	2025	2024
	£	£
Bank interest received	42,043	16,334
Rental income received	7,375	-
	<u>49,418</u>	<u>16,334</u>

5. EXPENDITURE

	2025	2024
	£	£
Raising Funds		
Salaries and wages	126,324	132,124
Sponsorship and events	14,896	16,777
	<u>141,220</u>	<u>148,901</u>

	2025	2024
	£	£
Charitable Activities (including support costs)		
<i>Operation of a theatre and related activities</i>		
Actors, production and Creative Learning costs	1,073,645	1,021,960
Box Office Administration costs	94,361	101,054
Café and shop costs	238,633	222,963
Direct Costs	611,471	542,794
Project costs	-	499
Central and premises costs	387,489	256,234
Depreciation	364,962	370,248
Marketing	257,384	246,862
Governance costs (see below)	204,217	188,484
	<u>3,232,162</u>	<u>2,951,098</u>

Governance costs		
Salaries and Wages	156,748	132,464
Audit and accountancy	24,250	40,071
Office costs	23,219	15,949
	<u>204,217</u>	<u>188,484</u>

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****5. EXPENDITURE (continued)**

	2025	2024
	£	£
Support costs		
Salaries and Wages	156,748	132,464
Central and premises costs	387,489	256,234
Depreciation	364,962	370,248
Marketing	257,382	246,862
Audit and Accountancy	24,250	40,071
Office Costs	23,219	15,948
Project costs	-	499
	<u>1,214,050</u>	<u>1,062,326</u>

6. NET INCOME/EXPENDITURE

	2025	2024
	£	£
This is stated after charging:		
Lease payments	44,000	44,000
Depreciation of owned fixed assets	364,962	370,248
Auditors' remuneration:		
- Current year statutory audit	19,750	18,500
- Prior year statutory audit	-	8,250
- Other services	4,500	5,085

7. STAFF COSTS

	2025	2024
	£	£
Wages and Salaries	1,209,013	1,069,521
Pension Contributions	35,354	32,462
Social Security Costs	92,064	84,070
	<u>1,336,431</u>	<u>1,186,053</u>

No employee earned more than £60,000 per annum (2024: none).

No members of the Board of Directors received any remuneration during the year for executive services. The Board members were not paid or reimbursed for expenses during the year.

During the year, appropriate professional indemnity insurance was purchased on behalf of the trustees and the Charity on standard market terms.

The cost of employment of Key Management Personnel amounted to £121,810 (2024: £118,497). Key Management Personnel comprise the Joint Chief Executives and the Trustees.

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****7. STAFF COSTS (continued)**

	2025	2024
	No.	No.
Average number of employees during the year		
(full time equivalent basis)		
Senior Management Personnel	2	2
Directors and performers	6	7
Sales, administration and others	28	26
	<u>36</u>	<u>35</u>

The average number of employees (headcount) during the year was 39 (2024: 37).

8. INTEREST PAYABLE

	2025	2024
	£	£
Mortgage loan interest	<u>3,627</u>	<u>6,440</u>
	<u>3,627</u>	<u>6,440</u>

9. TANGIBLE FIXED ASSETS

	Freehold land and buildings	Short leasehold land and buildings	Leasehold Improve- ments	Building Re- development Project	Plant and Machinery	Total
	£	£			£	£
Cost						
At 1 April 2024	1,050,000	950,000	43,440	7,786,905	35,999	9,866,344
Additions	218,294	-	68,890	39,466	-	326,650
Disposals	(51,562)	-	-	-	-	(51,562)
Reclassification	(379,232)	-	(15,745)	15,745	-	(379,232)
At 31 March 2025	<u>837,500</u>	<u>950,000</u>	<u>96,585</u>	<u>7,842,116</u>	<u>35,999</u>	<u>9,762,200</u>
Depreciation						
At 1 April 2024	146,958	190,000	4,777	828,267	5,100	1,175,102
Charge for the year	20,292	19,000	8,129	313,941	3,600	364,962
Reclassification	(10,997)	-	-	-	-	(10,997)
Disposals	(3,524)	-	-	-	-	(3,524)
At 31 March 2025	<u>152,729</u>	<u>209,000</u>	<u>12,906</u>	<u>1,142,208</u>	<u>8,700</u>	<u>1,525,543</u>
Net book value						
At 31 March 2025	<u>684,771</u>	<u>741,000</u>	<u>83,679</u>	<u>6,699,908</u>	<u>27,299</u>	<u>8,236,657</u>
At 31 March 2024	<u>903,042</u>	<u>760,000</u>	<u>38,663</u>	<u>6,958,638</u>	<u>30,899</u>	<u>8,691,242</u>

10. INVESTMENT PROPERTY

	2025	2024
	£	£
Balance brought forward at 1 April	-	-
Reclassification from Tangible Fixed Assets	368,235	-
Loss on Revaluation	<u>(118,235)</u>	-
Balance carried forward at 31 March	<u>250,000</u>	<u>-</u>

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****10. INVESTMENT PROPERTY** (continued)

The fair value of the company's investment property has been arrived at on the basis of advice provided in July 2025 (and agreed by the Trustees to be not materially different from what the position would be at 31 March 2025) by an independent FRICS RICS registered valuer from a local agency, who are not connected with the company. The valuation advice was made on an open market value basis by reference to market evidence of transaction prices for similar properties, and with acknowledgement of the unique situation of the flat (lying above the café with which it shares a Title). The valuation advice is based on the assumption that a separate Title would need to be created for the flat with peppercorn ground rent with all services independent of the ground floor and with vacant possession provided.

The Loss on Revaluation results from the remodelling of the site to create a separate investment property, and to undertake building works to sure up the decaying fabric of the building which is attached to Polka Theatre. The work was financed through funded income received for that specific purpose. The investment property will be used to create long-term future rental income to support the financial sustainability of the company.

11. STOCKS

	2025	2024
	£	£
Books	4,470	5,688
Café	3,801	2,768
Shop	9,625	6,770
	<u>17,896</u>	<u>15,226</u>

12. DEBTORS

	2025	2024
	£	£
Trade debtors	5,467	46,098
Prepayments and accrued income	520,233	483,464
Other debtors	110	103
	<u>525,810</u>	<u>529,665</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Mortgage loan (secured)	18,997	35,201
Other taxes and social security costs	23,711	23,968
Other creditors	363,289	299,763
	<u>405,997</u>	<u>358,932</u>
Deferred income		
Balance at 1 April	148,508	188,542
Deferred income released in the year	(148,508)	(188,542)
Resources deferred in the year	101,443	148,508
Deferred income at 31 March	<u>101,443</u>	<u>148,508</u>

Included within deferred income is an amount of £100,641 (2024 - £125,467) relating to ticket sales received in advance for productions that will take place in 2025/26.

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	2025	2024
	£	£
Mortgage loan (secured)	<u>11,350</u>	<u>30,339</u>
	11,350	30,339
Repayable between one and five years	<u>11,350</u>	<u>30,339</u>
	11,350	30,339

The charity has a loan from Barclays, the capital value of which was £208,000 prior to any repayment. The loan is secured by a legal charge over 244, 246 and 248 The Broadway and over 252 and Land at Back of 254 The Broadway. The loan is for a term of 20 years, from 7 December 2007 to 7 December 2027. Interest on the loan is charged at 2.5% per annum over the Bank of England's base rate. Repayment shall be made in monthly instalments of £1,830.36.

The charity has a loan from Barclays, the capital value of which was £230,000 prior to any repayment. The loan is secured by a legal charge over 244, 246 and 248 The Broadway, over 252 and Land at Back of 254 The Broadway, and over 250/252 The Broadway. The loan is for a term of 15 years, from 12 November 2010 to 12 November 2025. Interest on the loan is charged at 4.29% per annum fixed for 5 years from the date of draw down. At the end of 5 years, interest is charged at 2.54% per annum over the Bank of England's base rate. Repayment shall be made in monthly instalments of £1,742.14 decreasing to £1,637.72 after five years.

15. GENERAL FUND

	At 1 April 2024	Income	Expenditure	Transfers	Gains/Loss	At 31 March 2025
	£	£	£	£	£	£
Unrestricted funds	688,701	2,695,035	(2,230,365)	(200,000)	(166,273)	787,098

	At 1 April 2023	Income	Expenditure	Transfers	Gains/Loss	At 31 March 2024
	£	£	£	£	£	£
Unrestricted funds	657,862	2,429,410	(2,398,913)	342	-	688,701

The transfer relates to changes in Designated Funds agreed by the Trustees in the year, being the return of £30,000 Flat Redevelopment Fund to General Funds (not required for the project) and creation of two new Designated Funds - Building Improvement Fund (£150,000) and Website & Digital Fund (£80,000). See note 17.

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****16. REVALUATION RESERVE**

The freehold and leasehold buildings were revalued at £1,575,000 in the 2014 year, with the uplift in value being credited to the revaluation reserve. This was undertaken as allowed under the transition to FRS102 with the revalued amount being treated as deemed cost from this point. The additional depreciation charge that results from this uplift in valuation is set against this fund each year.

	At 1 April 2024	Income	Expenditure	Transfers	At 31 March 2025
	£	£	£	£	£
Revaluation reserve	1,026,135	-	(18,389)	-	1,007,746

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
Revaluation reserve	1,044,524	-	(18,389)	-	1,026,135

17. DESIGNATED RESERVES

	At 1 April 2024	Income	Expenditure	Transfers	At 31 March 2025
	£	£	£	£	£
Equipment	17,113	-	(3,423)	-	13,690
Capital Project	234,992	-	-	-	234,992
Flat Redevelopment Fund	30,000	-	-	(30,000)	-
Anne Ross Legacy fund	181,468	-	-	-	181,468
Building & Theatre Maintenance Fund	-	-	-	150,000	150,000
Website & Digital Fund	-	-	-	80,000	80,000
	463,573	-	(3,423)	200,000	660,150

The Equipment fund incorporates funds raised which depreciate against the life of the equipment.

The Capital Project fund and Flat Redevelopment Fund are General Funds designated by the Trustees for use on the building redevelopment and flat redevelopment respectively. The Flat Redevelopment Fund was closed at the end of the year following the project completion, with the remaining funds returned to general use.

The Anne Ross Legacy fund was created following receipt of a one-off legacy and will be used to support creation of productions during the period 2025-2028.

The Building & Theatre Maintenance Fund was set up as an ongoing fund for new theatre equipment upgrades, building improvement projects and significant maintenance items that may arise beyond the scope of the normal annual budget.

The Website and Digital Fund was set up for use in purchasing a new website and digital improvements planned during 2025-2027.

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****17. DESIGNATED RESERVES (continued)**

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
Equipment	20,536	-	(3,423)	-	17,113
Capital project	234,992	-	-	-	234,992
Flat Redevelopment fund	-	30,000	-	-	30,000
Anne Ross Legacy fund	109,368	72,100	-	-	181,468
Chan Yin Chuen Memorial Charitable Foundation	75,000	-	(75,000)	-	-
	439,896	102,100	(78,423)	-	463,573

18. RESTRICTED FUNDS

	At 1 April 2024	Income	Expenditure	Transfers	At 31 March 2025
	£	£	£	£	£
CAPITAL PROJECT FUND					
Theatre Redevelopment Fund	7,117,983	3,407	(308,842)	-	6,812,548
	7,117,983	3,407	(308,842)	-	6,812,548
This comprises:					
Capitalised costs	6,958,639	-	(313,942)	55,212	6,699,909
Unspent funds	159,344	3,407	5,100	(55,212)	112,639
	7,117,983	3,407	(308,842)	-	6,812,548
Capital Phase 2					
Building Improvement Fund	77,000	123,591	(6,889)	-	193,702
Window Replacement Fund	7,723	-	(858)	-	6,865
	84,723	123,591	(7,747)	-	200,567
This comprises:					
Capitalised costs	7,723	68,890	(7,747)	-	68,866
Unspent funds	77,000	54,701	-	-	131,701
	84,723	123,591	(7,747)	-	200,567

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****18. RESTRICTED FUNDS** (continued)

	At 1 April 2024	Income	Expenditure	Transfers	At 31 March 2025
	£	£	£	£	£
OTHER RESTRICTED FUNDS					
Original Theatre Fund	224,811	-	(8,975)	-	215,836
Write Here, Write Now	17,900	45,257	(59,880)	-	3,277
Freefalling	27,000	46,074	(51,074)	-	22,000
Access	22,500	117,560	(124,260)	-	15,800
Access Productions	-	25,000	-	-	25,000
Curtain Up!	29,000	110,891	(135,891)	-	4,000
Talking Tales	-	70,751	(40,001)	-	30,750
Take Your Seats	20,000	7,125	(20,125)	-	7,000
Vehicle Fund	30,899	-	(3,600)	-	27,299
Flat Redevelopment	-	280,000	(280,000)	-	-
Playwriting Award	15,000	45,000	(30,000)	-	30,000
Volunteer Programme	-	5,810	(5,810)	-	-
School tours	-	45,000	(45,000)	-	-
	387,110	798,468	(804,616)	-	380,962
TOTAL	7,589,816	925,466	(1,121,205)	-	7,394,077

Theatre Redevelopment Fund For use during the Future Polka redevelopment project, begun in 2019 and completed in 2021/22, and for future major capital works.

Original Theatre Fund Relating to the original building project to create the theatre in 1979.

Vehicle Fund For use against the depreciating cost of the Polka van.

Flat Redevelopment For use during investment property redevelopment 2024/5.

Capital Phase 2 Fund For use against improvements to all parts of the building.

Volunteer Programme For use against Polka's formal volunteering programme.

Restricted project funds:

Write Here Write Now

Freefalling

Access

Access Productions Restricted funds that are for specific projects delivered by the Creative Learning and Producing departments, to which restricted funds received in advance of the activities taking place are assigned. These funds change annually according to the theatre's project programming, and may be one-off short-term or ongoing annual projects.

Curtain Up!

Talking Tales

Take Your Seats

Mapping

Playwriting Award

Schools Tour

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****18. RESTRICTED FUNDS (continued)**

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
CAPITAL PROJECT FUND					
Theatre Redevelopment Fund	7,436,871	8,545	(327,433)	-	7,117,983
	7,436,871	8,545	(327,433)	-	7,117,983
This comprises:					
Capitalised costs	7,187,348	-	(323,833)	95,124	6,958,639
Unspent funds	249,523	8,545	(3,600)	(95,124)	159,344
	7,436,871	8,545	(327,433)	-	7,117,983
	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
OTHER RESTRICTED FUNDS					
Original Theatre Fund	233,786	-	(8,975)	-	224,811
Write Here, Write Now	26,000	17,900	(26,000)	-	17,900
Freefalling	27,990	40,065	(41,055)	-	27,000
Access	11,250	137,293	(126,043)	-	22,500
Curtain Up!	23,000	113,524	(107,524)	-	29,000
Take Your Seats	17,000	22,575	(19,575)	-	20,000
Vehicle Fund	34,499		(3,600)	-	30,899
Building Improvements Fund	9,000	76,923	(858)	(342)	84,723
Mapping	-	44,465	(44,465)	-	-
Playwriting Award	-	15,000	-	-	15,000
Volunteer Programme	-	2,000	(2,000)	-	-
	382,525	469,745	(380,095)	(342)	471,833
TOTAL	7,819,396	478,290	(707,528)	(342)	7,589,816

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2025	Fixed Assets	Net Current Assets	Creditors > 1 year	Total
	£	£	£	£
Unrestricted Funds				
General Fund	453,311	345,137	(11,350)	787,098
Revaluation Reserve	1,007,746	-	-	1,007,746
Designated Funds	13,690	646,460	-	660,150
Restricted Funds				
Capital Project Fund	6,699,909	112,639	-	6,812,548
Capital Phase 2	68,866	131,701	-	200,567
Other Restricted Funds	243,135	137,827	-	380,962
	8,486,657	1,373,764	(11,350)	9,849,071

POLKA CHILDREN'S THEATRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2025

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

2024	Fixed Assets £	Net Current Assets £	Creditors > 1 year £	Total £
Unrestricted Funds				
General Fund	217,522	501,518	(30,339)	688,701
Revaluation Reserve	1,026,135	-	-	1,026,135
Designated Funds	17,113	446,460	-	463,573
Restricted Funds				
Capital Project Fund	6,958,639	159,344	-	7,117,983
Other Restricted Funds	471,833	-	-	471,833
	<u>8,691,242</u>	<u>1,107,322</u>	<u>(30,339)</u>	<u>9,768,225</u>

20. FINANCIAL COMMITMENTS

At the year end, the charity had future minimum lease payments under operating leases as follows:

	2025 £	2024 £
Land & Buildings		
Due in less than 1 year	44,000	44,000
Due in between 2 and 5 years	48,219	92,219
Due in more than 5 years	-	-
	<u>92,219</u>	<u>136,219</u>

21. LEGAL STATUS

The charity is a company limited by guarantee and has no share capital. The liability of each member in winding-up is limited to £1.

22. TAXATION

The company is a registered charity and no taxation liabilities arise from its charitable activities.

23. RELATED PARTIES

Trustees made donations in the year totalling £58,165 (2024: £14,063). Trustees pay the normal admission charge when they attend performances and other events.

There were no further related party transactions within the year.

24. EXCEPTIONAL ITEMS

This relates to the recovery of funds as a result of the scam referred to on page 16 of the trustees' report, and is shown as Other Income on the Statement of Financial Activities for this year.

POLKA CHILDREN'S THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st MARCH 2025****25. COMPARATIVE FIGURES FOR THE STATEMENT OF FINANCIAL ACTIVITIES AS REQUIRED BY FRS 102**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £
INCOME FROM				
Grants and donations	2	805,752	478,290	1,284,042
Charitable activities	3	1,709,424	-	1,709,424
Investment income	4	16,334	-	16,334
Total Income		<u>2,531,510</u>	<u>478,290</u>	<u>3,009,800</u>
EXPENDITURE ON				
Raising funds	5	148,901	-	148,901
Charitable activities			-	
Operation of theatre and related activities	5	2,243,570	707,528	2,951,098
Building redevelopment project		-	-	-
Exceptional items	24	103,254	-	103,254
Total Expenditure		<u>2,495,725</u>	<u>707,528</u>	<u>3,203,253</u>
Net (Expenditure) / Income		35,785	(229,238)	(193,453)
Transfers between funds	18	342	(342)	-
Net movement in funds		<u>36,127</u>	<u>(229,580)</u>	<u>(193,453)</u>
Balance at 1st April 2023		2,142,282	7,819,396	9,961,678
Balance at 31st March 2024		<u>2,178,409</u>	<u>7,589,816</u>	<u>9,768,225</u>