

HEADLONG THEATRE LIMITED

England & Wales · Charity number 267965

Details

Other names	ANVIL PRODUCTIONS LIMITED, OXFORD STAGE COMPANY LIMITED
Status	Registered
Legal form	Charitable company
Company number	01171757
Registered	1974-08-05
Register	View on the Charity Commission register

Contact

Address	11-12 Beaumont Street Oxford OX1 2LW
Phone	020 7633 2090
Email	info@headlong.co.uk
Website	www.headlong.co.uk

Activities

Objects: TO PROMOTE, MAINTAIN, IMPROVE AND ADVANCE EDUCATION PARTICULARLY BY THE PRODUCTION OF EDUCATIONAL PLAYS AND THE ENCOURAGEMENT OF THE ARTS INCLUDING THE ARTS OF DRAMA, BALLET, MUSIC, SINGING, LITERATURE, SCULPTURE AND PAINTING AND TO FORMULATE PREPARE AND ESTABLISH SCHEMES, THEREFORE.

Activities: Headlong Theatre is one of the United Kingdom's leading touring theatre companies.

Classification

- **How:** Other Charitable Activities
- **What:** Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,875,289	£1,739,130	£748,864	10
2024-03-31	£1,542,509	£1,475,492	£612,704	8
2023-03-31	£1,151,271	£1,298,980	£545,687	8
2022-03-31	£892,698	£893,194	£693,396	9
2021-03-31	£1,093,784	£1,009,881	£693,892	12

Trustees

Name	Role	Appointed
Katherine Dickens	Chair	2023-06-13
Claire Helen Heaney		2023-06-13
Jacqueline Mary Hurt		2018-05-22
Julia Head		2022-04-21
Laura Abigail Lambley		2019-11-25
Lucinda Harvey		2022-12-06
Patrick Dillon		2022-12-06
Prime Isaac		2023-01-25
Rhashan Stone		2025-06-10

HEADLONG THEATRE LIMITED

England & Wales - Charity number 267965

Accounts

Charity registration number 267965
Company registration number 01171757
(England and Wales)

HEADLONG THEATRE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

HEADLONG THEATRE LIMITED

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HEADLONG THEATRE LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

Trustees	A Cornelius (Resigned 1 May 2025) K Dickens P Dillon S Ellis (Resigned 1 May 2025) L Harvey J Head C Heaney J Hurt (Reappointed for third term on 3 December 2024) P Isaac L Lambley (Resigned 21 October 2025) T Phillips (Resigned 1 September 2024) T Racklin (Resigned 1 September 2024) R Stone (Appointed on 10 June 2025) L Wan (Resigned 1 May 2025)
Charity number	267965
Company number	01171757
Oxford office (and registered address)	Oxford Playhouse 11-12 Beaumont St Oxford OX1 2LW
London office	Somerset House Strand London WC2R 1LA
Auditor	Sayer Vincent LLP 110 Golden Ln London EC1Y 0TG
Bankers	HSBC plc 65 Cornmarket Street Oxford OX1 3HY
Key management personnel:	
Artistic Director / Co-CEO	H Race Roughan
Executive Director / Co-CEO	L Maguire

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

EXECUTIVE SUMMARY

2024-25, our 50th anniversary year, has been a year of change and celebration for Headlong. As part of a revised operational model, we worked with Oxford Playhouse and the Cultural Programme at Schwarzman Centre for the Humanities to relocate company headquarters to Oxford while creating Associate Partnerships with Leeds Playhouse and Octagon Theatre Bolton to cement our nationwide presence. We continue to play a vital role connecting theatres, artists and audiences across the country with high-quality, exhilarating theatre. Our productions comprised fresh adaptations of European Classics, big new plays from significant British writers, revivals of Headlong repertoire, and powerful American drama.

We reached 102,047 audience members in eight towns and cities across the UK; Chichester, Leeds, Oxford, Nottingham, Manchester, London, Kingston, and Stratford-Upon-Avon.

Offstage we continued to demonstrate our commitment to nurturing the brightest artists, especially those working and living outside London. Our year-long Headlong Origins artist development programme supported five early-career directors while our third Writer in Residence took part in an 18-month bespoke attachment. We continued to develop our work to support young people and their educators to engage with our productions including our Digital Young Company for 18-25 year olds.

Our work would not be possible without the dedication and generosity of so many. In 2024-25 we would like to thank our funders, including Arts Council England, Backstage Trust and our family of individual donors; the many artists, creatives and practitioners who worked with us throughout the year; our theatre and venue partners across the country; the audiences who came to see our shows; and our brilliant, hardworking staff team.

WHO WE ARE AND WHAT WE DO

We are one of the UK's leading touring theatre company, founded in 1974. In the last decade alone, over 2 million people of all ages and backgrounds have experienced a Headlong production on stage, screen or online.

We commission, create and tour bold theatre that interrogates the contemporary world. We support early-career directors and writers with residencies, commissions and bespoke development schemes. Sustainability and social justice underpins all our work and we are proud to be acknowledged as a key/prescribed practitioner for A-Level Drama and Theatre studies.

“[Headlong] are a company who respond to the world around us with urgency and imagination whilst simultaneously nurturing artists of all experience so that they can creatively thrive. They are a truly vital artery in the body of UK theatre.”

Justin Audibert, Artistic Director, Chichester Festival Theatre

STRATEGY

Our Strategic Plan April 2024 to March 2027 outlined a new operational model to achieve stability, innovation, and growth while upholding the company's mission of creating exhilarating theatre that asks questions and provokes debate.

Against the backdrop of a cost of living crisis, the enduring impact of the coronavirus pandemic and a climate emergency, this plan set out to navigate the immediate challenges facing English theatre. Our strategy was formed and continues to be driven partly by the company's participation in Arts Council England's transfer programme, which will help to secure its position as a National Portfolio Organisation in the long term.

Over the next three years Headlong aims to solidify its reputation as the leading national theatre company, making and distributing main stage drama whilst achieving significant progress against its justice and sustainability commitments.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Our Vision

A world where theatre provokes progress.

Our Mission

We create exhilarating theatre with something to ask.

Our Values

Fearless: we're bold and embrace challenges – it's how we learn.

Kind: respect and fairness underpin all we do.

Open: we collaborate - great work happens when people from diverse lives and places connect.

Spirited: we take our work seriously but not ourselves.

ACHIEVEMENTS AND PERFORMANCE

Productions

The House Party

03 May – 01 June 2024 and 21 February – 29th March 2025

In co-production with Chichester Festival Theatre (CFT), Headlong created *The House Party*, a 21st century reimagining of Strindberg's *Miss Julie* written by Laura Lomas. Produced in association with Frantic Assembly (FA), *The House Party* was directed by Headlong Artistic Director Holly Race Roughan, and opened at CFT's Minerva Theatre.

This premier production, featuring Rachelle Diedericks, Josh Finan, Nadia Parkes (nominated for a Stage Debut award) and performers drawn from CFT's Young Company and FA's Ignition training programme, opened to critical acclaim. Presented in an immersive design by Loren Elstein that enabled the audience to be at the heart of the action, the show resonated for audiences young and old.

With thanks to principal supporter Charles Holloway, originating partners CFT and FA, and presenting partners Leeds Playhouse, Rose Theatre Kingston and Bristol Old Vic, we were thrilled to be able to revisit the production for touring in Spring 2025. This revival also toured to HOME Manchester and The Belgrade Theatre Coventry (note Bristol and Coventry performances took place in the 25/26 financial year). Reimagined as a one act play with a slimmed down ensemble of eight and new principal cast, Sesley Hope, Tom Lewis and Synnøve Karlsen, the production was equally well received around the country.

"This Strindberg update crackles with energy" The Times - 4 stars

The Daily Mail, The Stage, What's On Stage - 4 stars

A Raisin in the Sun

15 September – 16 November 2024

Tinuke Craig (*Jitney*) directed this revival of Lorraine Hansberry's 1959 play - the first production on Broadway by a Black woman - in a co-production with Leeds Playhouse, Lyric Hammersmith and Nottingham Playhouse. The show also toured to our Associate Partner, Oxford Playhouse.

An extraordinary cast of Doreene Blackstock, Joséphine-Fransilja Brookman, Cash Holland, Solomon Israel, Gilbert Kyem Jnr, Kenneth Omole, and Jonah Russell were ably supported by five young actors from Leeds and London who rotated the role of Travis. In addition to being a critical success, the production moved, entertained and challenged audiences nationally.

Nominated for Best Revival and Best Casting at the What's On Stage Awards

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Cash Holland, Best Supporting Female Actor in a play, Black British Theatre Awards 2025

"its power is undiminished...its mixture of humour, tragedy and humanity still as potent as ever" What's On Stage - 5 stars

The Daily Mail, The Stage, Financial Times, Evening Standard, Time Out - 4 stars

The New Real

03 October – 02 November 2024

Holly Race Roughan directed this Royal Shakespeare Company (RSC) production, in association with Headlong. A new play from David Edgar, his tenth for the RSC, *The New Real* shone a light on global politics and populism, in a year of critical elections across the world.

"Gripping...intelligent" The Stage - 4 stars

People, Places & Things

03 May - 10 August 2024

The original National Theatre and Headlong production of *People, Places & Things* was presented at Trafalgar Studios in London by NT Productions, Gavin Kalin Productions, Mark Gordon Pictures/Eilene Davidson Productions, Seaview and Second Half Productions. Denise Gough reprised her role in Duncan Macmillan's intoxicating hit play, directed once again by Jeremy Herrin. This revival cemented the play's reputation as a modern classic and was also captured for the future on the NT at Home platform.

"Shocking, magnetic, unbelievably real. Gough's performance is one of the greatest of her generation" Independent - 5 stars

The Times, Financial Times, Evening Standard, The Stage, What's On Stage - 5 stars

OUR PUBLIC BENEFIT

Audiences

By touring widely, we reduce geographic barriers to high-quality theatre, benefitting thousands of people every year by providing exceptional midscale theatre in their area. In 2024-25, we reached 42,038 audience members in eight towns and cities across the UK. Additionally, 60,009 people came to see the West End transfer of *People, Places & Things* at the Trafalgar Theatre.

Community

As a touring company, we work in partnership with like-minded local cultural providers and grassroots organisations to support local venues to connect with their local communities. We add value to key education providers and schools and nurture audiences for both Headlong and regional partners through bespoke activities. In 2024-25 we continued our work of embedding community activity into our artistic programme.

The House Party

During the initial performances of *The House Party* in Chichester we worked to develop audiences from deaf communities via immersive captioned performances and the provision of three enhanced access performances with woojer (haptic) vests in partnership with Deaf Rave.

During the 2025 revival we focused our attention on developing schools and young people's audiences with post-show Q & A sessions and the creation of a resource pack. Aimed at GCSE, A Level, and BTEC Drama students, the pack includes historical context, character analysis, and interviews with key creatives.

A Raisin in the Sun

During the run in London we curated the event A Global Vision of Black Freedom: a Q&A with Joi Gresham and Nicholai La Barrie to explore the legacy of Lorraine Hansberry.

In Nottingham we worked with movement director Sarita Piotrowski and poet and performer Michelle Hubbard to deliver workshops which explored the role of movement directors and writing for theatre as part of Nottingham Playhouse's Amplify Artist Development programme.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

To support the tour, we collaborated with the Lyric Hammersmith to create an education pack to support GCSE, A Level, and BTEC Drama students studying *A Raisin in the Sun*. It provided in-depth insights into the play's themes, social and historical context, and the creative process behind the production, including set, costume, sound design, and performance techniques.

Digital Young Company & The New Real

In Autumn 2024 we ran a parallel project to the rehearsal process and performances of *The New Real* by David Edgar in partnership with the Royal Shakespeare Company digital department and TikTok. Eight young people under 30 were selected to develop a fully formed piece of digital content in dialogue with the play. Participants co-authored two pieces of serialised content on TikTok telling the story of a fictional political party, The Real Party. Drawn from the sense of apathy and frustration Gen Z feels, the political party was portrayed as a party of #vibes, plundering money and resources on actual parties and self-congratulatory promos on social media. The content was publicly launched on the press night of *The New Real*.

Artist Development

Origins

Our respected year-long Headlong Origins programme, funded by Backstage Trust, continued in 2024-25 for the fifth time. It has supported another five early-career directors based outside of London to develop the skills, experience, relationships and ideas to realise their artistic ambitions and move forward in their careers. For the first time we worked closely with our Associate Partner venues in Oxford, Leeds and Bolton who provided mentoring and supported recruitment and skills development for the cohort.

"To be part of the Origins programme and be recognised as an artist of the future by Headlong has given me the confidence to pursue my creative ideas and has already begun to open other industry doors. This type of recognition and support is hard to come by and, as a freelance artist, makes you feel far less alone."

As I emerge from the programme, I have the confidence to take my directing work to the next scale, the practical knowledge to support pitching my ideas, and the creative inspiration to run my own company one day."

Origins Director, Cohort 5

Headlong Commissions

Headlong ended March 25 with 13 plays under commission from 14 writers.

In October 2024, we commissioned multi award winning playwright Roy Williams to create a political drama exploring nationalism and changing political landscapes through fictionalised experiences of Black members of Parliament. What started as a historical work has evolved into a contemporary drama loosely based on Kemi Badenoch, which is on track to deliver in 2025/26.

In June 2024, we carried out a reading of Cordelia Lynn's *Witch Play*, a form-breaking drama on feminism and capitalism. The reading was directed by Holly, assisted by Origins director Corey Weekes, and the cast included Alex Austin, Isis Hainsworth, Jessica Clark and Solomon Israel. Following the reading, we formally accepted *Witch Play*, and continue to look for potential co producers for development.

During this period we also received new drafts of Morgan Lloyd Malcolm's *Ghosted* (a horror play about gaslighting and ghosts) and Charlie Josephine's *Pirates!* (A queer pirate love story) that led us to committing to table reads of both.

- 43% of writers under commission are from the global majority (-3% from 23/24)
- 43% are women (+5% from 23/24)
- 43% are LGBTQIA+ (self-declared) (unchanged from 23/24)
- 15% are Trans* and/or GNC (unchanged from 23/24)
- 22% are neurodiverse and/or disabled (+5% from 23/24)

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

Justice: Equality, Diversity & Inclusion

In 2024-25, we continued to hold regular Justice meetings for all staff and discussed progress against our goals at every Board meeting. We also used a Justice checklist to ensure our targets were embedded into our producing processes and debriefed after every production to assess how we had performed to our goals. During the period we revised our Race Justice Plan which is published on our website alongside earlier iterations of our plans for Disability, Women and LGBTQIAA+.

We continued to monitor and ensure gender balance and increased representation across all our work on stage, our staff, and Board. Of the freelancers we worked with, 60% were female or non-binary, including directors, actors, stage managers, designers and writers, and 34% Global Majority. 13% were deaf or disabled and 30% identified as neurodivergent.

Environmental Responsibility

We aim to be an environmentally responsible organisation and ask that partners support this goal. In doing so we are seeking to promote efficient and sustainable practices which reduce our carbon footprint. This is outlined in our commitment to the Theatre Green Book, which we use in both our productions and our operations. In 2024/25 we achieved Basic organisational status, made The House Party to Basic Standards, and achieved Intermediate Standard with *A Raisin in the Sun*.

FINANCIAL REVIEW

Financial Sustainability

As a proud National Portfolio Organisation, we are reliant on public funding to survive, and we work very hard to ensure every production achieves maximum impact and public benefit. In 2022-23 we made a successful application for renewed funding that addressed the strategic priorities of Arts Council England's 10-year strategy, *Let's Create*. As a result, we were invited to enter their Transfer Programme, a parallel investment programme to divest cultural opportunity from the capital which was developed following the comprehensive spending review in 2021. This achievement will safeguard essential public funding and confirm our identity as a truly national touring company, contributing even more to arts and investment opportunities outside London. Following feasibility research throughout 2023 and early 2024, we identified Oxford as our new home.

In 2024-25, we ended the year with a planned surplus of £136,159 and carried forward reserves at 31st March 2025 of £748,864 (2023-24: £612,704), £0 of which was restricted (2023-24: £19,337). Arts Council England NPO funding of £692,302 (2023-24: £692,302) was received, comprising 37% of our total income (2023-24: 45%). This vital core funding supported all artistic and community activity and talent development. We also received the final tranche of a Feasibility Grant from the Arts Council to support the planning and strategy for our transfer out of London. Our remaining funding comprised 41% from production income, 10% was raised from fundraising from Trusts, Foundations, Corporate Sponsors, and Individual Donors, and the remainder came from Theatre Tax Relief and investment interest.

Our Finance Director continued to oversee, re-evaluate and refine the established systems we have in place, which provide checks and balances and an appropriate audit trail, while maintaining a high level of accuracy and efficiency. All bank transactions were subject to a two-person authorization system, and all budgets were supervised by individual internal budget-holders, with expenditure signed off by a second authorizer before being paid. At Board level, on a quarterly basis all financial papers were first checked by and discussed with the Financial and General Purposes Committee, before they were reported to the full Board.

A charity is considered a 'going concern' if it is assumed to continue operating for the foreseeable future, allowing it to prepare accounts on the basis that it will meet its liabilities as they fall due. The trustees must assess this status for at least 12 months from the date the accounts are approved.

The Board has therefore considered and discussed the company's financial future, and considers Headlong Theatre Limited a going concern, with no material uncertainties about Headlong's going concern status.

Reserves Policy

In 2024-25 we updated our reserves structure, as signed off by the Financial and General Purposes Committee, to better reflect our Free Reserves.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees aim to maintain Free Reserves at a level that ensures sufficient reserves are available at any time to complete committed projects and administrative costs. Our minimum Free Reserves level is at least 5 months of operating costs, which is £284,504 for 2024:25. - the minimum reserves required to complete committed projects and administrative costs. The Trustees have deemed this an appropriate level.

The carried forward reserves as 31st March 2025 are £748,864, (2023:24: £612,704). This is in line with our reserves policy.

Headlong now has seven Unrestricted Funds, as follows:

Undesignated:

Free Reserves
Fixed Assets

Designated:

Artistic Innovation	To invest annually in enhancing our shows with innovative theatre-making techniques, including disability access and inclusion. This investment is on top of our usual show budgets, which allows us to be inventive with each project. There is currently no intention to wind this fund down.
John Ellerman	Designated to address a timing issue that arose from the date the grant decision was made, versus the intention of the grant, which is to be given over 3 years.
Website & IT Infrastructure	New investment in our website, to increase access, traffic and impact. Will be used by year end of 2026/27.
Statutory Training	New government mandated training for staff. To be spent by year end of 2025/26.
Commissioning Commitments	Commissions fee cycles yet to be completed from previous years, to safeguard the fees for our writers. As these commission cycles can span multiple years, with no specific timeline from writer to writer, there is currently no intention to wind this fund down.

Risk Management

The trustees have conducted a review of Headlong's activities and the major risks to which it is exposed. The risk register is updated annually, and systems and procedures have been established to monitor and mitigate any risks identified in the register.

The risks that the trustees deemed to be most significant to the company during 2024-25 were:

- The co-production market changes adversely to Headlong. This risk was controlled and mitigated by strengthening relationships with co-producers and further developing audiences. Other measures included work to maximize the company's return from Theatre Tax Relief, consulting venues and co-producers ahead of creating the new strategic plan, and reducing overheads with the new operational model.
- A drop in contributed income. This risk was controlled and mitigated by prioritizing fundraising in the new structure, including the creation of the Development Director role as well as clarifying the company's mission, vision and values, fundraising strategy and case for support in line with the creation of the new strategic plan.
- Force majeure (external risk). This risk was introduced following the Covid pandemic and the major impact it has had on the performing arts industry. _

Fundraising

In 2024-25, we continued to nurture long-term relationships with individuals and trusts who understand our values and wish to support our work. Following the recruitment of a Development Director, a new strategy was put into place which enabled us to increase philanthropic income despite a challenging climate.

We were successful in raising a total of £195,292 (an increase from 23/24; £166,587). This included the first instalment of a three-year grant from the John Ellerman Foundation and a significant contribution towards the tour of *The House*

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Party from Charles Holloway OBE.

In celebration of our 50th anniversary we created a new writing circle which was supported by many of our loyal supporters as well as writers previously commissioned by Headlong.

In addition to core funding from Arts Council England, we received the fifth annual grant from Backstage Trust in support of our Headlong Origins talent development programme and corporate support from Big Yellow Storage towards our community work while on tour.

As part of our commitment to good practice, we ensure that our fundraising activity is subject to statutory regulations and GDPR. We received no complaints during the year in relation to our fundraising activity.

PLANS FOR THE FUTURE

A Midsummer Night's Dream

Headlong in a co-production with Shakespeare's Globe with Leeds Playhouse and Bristol Old Vic. By the glow of candlelight, in the depths of winter, we will present Shakespeare's *A Midsummer Night's Dream* in the intimate, indoor Sam Wanamaker Playhouse for the very first time ahead of touring to Prescott, Leeds, Bristol and Oxford. Directed by Headlong Artistic Director Holly Race Roughan with co-director Naeem Hyat, playing from 15 November 2025 - 28 March 2026.

Robota

Our future-making adaptation of Karel Čapek's *R.U.R., Robota*, by writer Ella Road, will open the new theatre space in the Oxford University's Schwarzman Centre for the Humanities in Summer 2026. Blending origin story with sci-fi, myth with machine, this is a bold, unsettling look at what it means to create life – and what happens when it turns on its maker.

Fences

Daniel Bailey will direct August Wilson's acclaimed play *Fences* in a co-production with Leeds Playhouse,

Lyric Hammersmith and HOME Manchester. Playing between September and November 2025, the production will also tour to Oxford Playhouse and Leicester Curve.

Alongside our work on stage, we will continue our community and artist development activity. We plan to work with

young people and schools local to performances while we are on tour. We will welcome our sixth cohort of Headlong Origins early-career directors and continue commissioning and developing distinctive new writing from the UK's most exciting voices.

In 2025-26, we will create an Environmental action plan to create a pathway to net zero, drawing on the Theatre Green Book, and accelerating the company's sustainability commitments. In addition, we will join the Ramps on the Moon Change Programme, supporting us to embed anti-ableism across the organisation.

STRUCTURE, GOVERNANCE & MANAGEMENT

During 2024-25 the company was based in London and had a permanent staff of six, led by an active and engaged volunteer Board of directors.

Directors are recruited via an open and inclusive process led by the Board's Nomination Committee. Individuals are formally appointed by majority vote after being proposed by another member of the Board at a Board meeting. On appointment, new trustees are given a Board induction pack which provides information on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, decision-making processes, Headlong's financial position and the business plan. Trustees are also supplied with a copy of the company's Memorandum and Articles of Association. All trustees are offered training appropriate to their roles on the Board.

The Board meets quarterly to receive artistic, organisational and Justice reports from senior leadership and review management accounts and annual budgets. A Finance and General Purposes Committee, made up of five trustees, also meets quarterly prior to each Board meeting to scrutinize the management accounts and cash flow, manage the

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

organisational risk register and review day-to-day management. Trustees devolve responsibility for the running of the charity to the key management personnel and joint Chief Executives.

Headlong is committed to employing staff who are amongst the best and most ambitious employees in the sector. As such, we set our rates of pay competitively with other subsidized theatre buildings and touring companies. The remuneration of each of our key management personnel is agreed by the Finance and General Purposes Committee of the Board and is determined by the seniority, experience and skills of the staff member.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2025 was 13 (2024: 17). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

AUDITORS

After a rigorous tender process, our Audit Committee selected Sayer Vincent LLP as the new auditors for Headlong Theatre Limited, which was officially approved by the Board on 10th June 2025.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the Board of trustees on 2 December 2025, and signed on its behalf by:

Katherine Dickens

K Dickens

Trustee

2 December 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

HEADLONG THEATRE LIMITED

Opinion

We have audited the financial statements of Headlong Theatre Limited (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 Headlong Theatre Limited'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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

HEADLONG THEATRE LIMITED

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

HEADLONG THEATRE LIMITED

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.

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. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

HEADLONG THEATRE LIMITED

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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.

Judith Miller (Senior statutory auditor)
15 December 2025
for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

HEADLONG THEATRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted Funds	Restricted Funds 2025	Total Funds	Unrestricted Funds	Restricted Funds 2024	Total Funds
	Notes	£	£	£	£	£	£
Income:							
Donations and legacies	3	847,594	83,500	931,094	735,749	154,640	890,389
Charitable activities	4	939,072	-	939,072	648,451	-	648,451
Investments	5	5,123	-	5,123	3,669	-	3,669
Total income		1,791,789	83,500	1,875,289	1,387,869	154,640	1,542,509
Expenditure:							
Charitable activities	6	1,636,292	102,837	1,739,130	1,340,189	135,303	1,475,492
Total expenditure		1,636,292	102,837	1,739,130	1,340,189	135,303	1,475,492
Net movement in funds		155,497	(19,337)	136,159	47,680	19,337	67,017
(In-year surplus / deficit)							
Fund balance b/f at 1 April 2024		593,367	19,337	612,704	545,687	-	545,687
Fund balance c/f at 31 March 2025		748,864	-	748,864	593,367	19,337	612,704

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HEADLONG THEATRE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	10		6,344		4,144
Investments	11		1		1
			<u>6,345</u>		<u>4,145</u>
Current assets					
Debtors	12	894,759		549,760	
Short Term Deposits		85,403		81,785	
Cash at bank and in hand		126,689		412,024	
		<u>1,106,851</u>		<u>1,043,569</u>	
Current creditors	13	<u>(364,332)</u>		<u>(435,010)</u>	
Net current assets			742,518		608,559
Total assets less current liabilities			<u>748,864</u>		<u>612,704</u>
Income funds					
Restricted funds	14		-		19,337
Unrestricted funds	15		748,864		593,367
			<u>748,864</u>		<u>612,704</u>

The financial statements were approved by the Trustees on 2 December 2025

Katherine Dickens

K Dickens

Trustee

Company registration number 01171757

HEADLONG THEATRE LIMITED

STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2025

		2025		2024	
		£	£	£	£
Cash flows from operating activities	Notes				
Cash generated from/(absorbed by) operations	19	(284,641)		85,237	
Add back depreciation expense		1,282		2,119	
Net cash generated from operating activities			<u>(283,358)</u>		<u>87,356</u>
Investing activities					
Purchase of tangible fixed assets		(7,216)		(3,027)	
Disposal of tangible FA		3,733		-	
Investment income received		5,123		3,669	
Net cash generated from investing activities			<u>1,641</u>		<u>642</u>
Net increase/(decrease) in cash and cash equivalents			<u>(281,717)</u>		<u>87,998</u>
Cash and cash equivalents at beginning of year			493,809		405,811
Cash and cash equivalents at end of year			<u>212,092</u>		<u>493,809</u>

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting Policies

Charity Information

Headlong Theatre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 11-12 Beaumont St, Oxford Playhouse, Oxford, OX1 2LW.

1.1 Accounting Convention

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; the Companies Act 2006; the Charities Act 2011 (as amended by provisions of the Charities Act 2022); and the requirements of the Statement of Recognised Practice, Accounting and Reporting by Charities (effective 1 January 2015). The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the Charitable Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the entity has adequate resources to continue in operational existence for the foreseeable future. The trustees continue to take all available steps to maintain sufficient resources in order for Headlong Theatre to continue and, based on projections and regularly reported information, have a reasonable expectation that the organization will have sufficient funds to continue to meet its liabilities as they fall due for the foreseeable future and therefore have prepared the financial statements on a going concern basis.

1.3 Charitable Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; the Companies Act 2006; and the requirements of the Statement of Recognised Practice, Accounting and Reporting by Charities (effective 1 January 2015). The financial statements have been prepared under the historical cost convention.

Cash donations are recognised on receipt. Other donations are recognised once the Charitable Company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations and legacies including core grants, sponsorship and gifts are included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting Policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Cost of raising funds are those costs incurred in attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the staging of its projects and performances. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

Allocation and Apportionment of Support & Governance Costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs, administrative office function costs, depreciation, HR and recruitment, and premises costs. They are incurred directly in support of expenditure on the objects of the charitable company.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination fees. fees.

Support and Governance costs have been 100% allocated to the charitable activity.

1.6 Tangible Fixed Assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	Over 4 years
Fixtures and fittings	Over 4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed Asset Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting Policies

(Continued)

1.8 Impairment of Fixed Assets

At each reporting end date, the Charitable Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial Instruments

The Charitable Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the entities balance sheet when the Charitable Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charitable Company's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting Policies

(Continued)

1.12 Employee Benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charitable Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Legal Status

The charitable company is a company limited by guarantee. The Memorandum of Association restricts the liability of members on winding up to £1 unless their liability becomes unlimited through contravention of the Memorandum. In the case of winding up none of the accumulated funds are distributed to the members but shall be given or transferred to some other charitable institution having similar objectives.

1.14 Public Benefit

The charitable company meets the definition of a public benefit entity under FRS 102.

1.15 Fund Accounting

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

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

2 Critical Accounting Estimates and Judgements

In the application of the charities accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

3 Donations and Legacies

	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	2025	2024				
	£	£	£	£	£	£
T&F Grants and Donations	155,292	80,000	235,292	43,447	123,140	166,587
Other Grants - Arts Council England	692,302	3,500	695,802	692,302	31,500	723,802
	847,594	83,500	931,094	735,749	154,640	890,389

4 Charitable Activities – Income

	Operation of touring theatre	Operation of touring theatre
	2025	2024
	£	£
Trading income	693,395	562,460
Other income	240,673	71,991
Royalty income	5,005	14,000
	939,072	648,451

5 Investments

	Unrestricted funds general	Unrestricted funds general
	2025	2024
	£	£
Interest receivable	5,123	3,669

6 Charitable Activities – Expenditure

	Operation of Touring Theatre	Operation of Touring Theatre
	2025	2024
	£	£
Operation of Touring Theatre	1,068,736	862,681
Share of support costs (see note 7)	644,207	586,957
Share of governance costs (see note 7)	26,187	25,854
	1,739,130	1,475,492
Analysis by fund		
Unrestricted funds - general	1,636,292	1,340,189
Restricted funds	102,837	135,303
	1,739,130	1,475,492

All costs are allocated between the expenditure categories noted above on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, for example, time spent, per capita or floor area.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Governance and Support Costs

	Support costs	Governance costs	Total	Support costs	Governance costs	Total
	2025	2025		2024	2024	
	£	£	£	£	£	£
Staffing	476,748	-	476,748	447,075	-	447,075
Depreciation	1,282	-	1,282	2,119	-	2,119
Marketing costs	11,372	-	11,372	12,140	-	12,140
Hospitality & memberships	10,514	-	10,514	6,828	-	6,828
Raising funds	10,454	-	10,454	12,995	-	12,995
Office expenses	114,838	-	114,838	85,449	-	85,449
Transfer programme	9,068	-	9,068	14,663	-	14,663
Insurance and health & safety	9,930	-	9,930	5,687	-	5,687
	-	-	-	-	-	-
Audit & accountancy	-	25,223	25,223	-	18,109	18,109
Legal fees	-	-	-	-	7,450	7,450
Board/Committee expenses	-	964	964	-	295	295
	644,207	26,187	670,394	586,957	25,854	612,811

Governance costs include payments to the auditors of £17,579 (2024: £8,520) for audit fees

8 Trustees Remuneration

None of the Trustees received any remuneration or benefits during the year (2024: none).

9 Employees

Average monthly number of employees during the year:

2025	2024
Number	Number
10	8

Employment costs

	2025	2024
	£	£
Pension Costs	18,088	11,879
Social Security Costs	35,896	28,792
Wages & Salaries	422,764	447,075
	476,748	487,746

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025	2024
	Number	Number
£60,000 - £69,999	2	2

The key management of the charity comprise the Trustees, the Artistic Director and the Executive Director (Co-CEOs). The total employee benefits of the key management personnel of the charity were £159,258 (2023: £148,548).

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

10 Tangible Fixed Assets

	Plant and Equipment	Fixtures and Fittings	Total
	£	£	£
Cost			
At 1 April 2024	61,960	2,101	64,061
Additions	4,867	2,348	7,216
Disposals	(1,632)	(2,101)	(3,733)
At 31 March 2025	65,195	2,348	67,544
Depreciation and impairment			
At 1 April 2024	58,864	1,053	59,917
Depreciation charged in the year	2,157	587	2,744
Eliminations re: disposals	(408)	(1,053)	(1,461)
At 31 March 2025	60,613	587	61,200
Carrying amount			
At 31 March 2025	4,583	1,761	6,344
At 31 March 2024	3,096	1,048	4,144

11 Fixed asset investments

	Investments £
Cost or valuation	
At 1 April 2024 & 31 March 2025	1
Carrying amount	
At 31 March 2025	1
At 31 March 2024	1

12 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	343,395	462,083
Other debtors	43,442	12,000
Prepayments and accrued income	507,923	75,678
	894,759	549,760

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	(14,931)	(65,119)
Trade creditors	(68,722)	(237,575)
Other creditors	(28,675)	(7,482)
Accruals and deferred income	(252,004)	(124,834)
	(364,332)	(435,010)

Deferred income represents production income deferred when the production is scheduled to occur in the following financial year. Or

	2025	2024
	£	£
Balance b/fwd	-	-
Income Released in the year	-	-
Income Deferred In year	(2,793)	-
Balance c/fwd at 31 March 2025	(2,793)	-

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds									
	2025					2024				
	£	£	£	£		£	£	£	£	£
	Income	Expenditure	Transfers	Balance c/f	Balance b/f	Income	Expenditure	Transfers	Balance c/f	
ACE Feasibility	3,500	(12,837)	-	-	-	31,500	(22,163)	-	9,337	
Backstage Trust - Headlong Origins	80,000	(80,000)	-	-	-	80,000	(80,000)	-	-	
Buffini Chau - Digital Young Company	-	-	-	-	-	10,140	(10,140)	-	-	
Cockayne Grants for the Arts - Gilgames	-	(10,000)	-	-	-	20,000	(10,000)	-	10,000	
Garrick Charitable Trust - Writers' Progra	-	-	-	-	-	3,000	(3,000)	-	-	
Noel Coward Foundation - Writers' Progr	-	-	-	-	-	5,000	(5,000)	-	-	
Old Possum's Practical Trust - Writers' F	-	-	-	-	-	5,000	(5,000)	-	-	
Restricted Funds Total	83,500	(102,837)	-	-	-	154,640	(135,303)	-	19,337	

No restricted funds carried forward to 2025/26.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	2025				Movement in funds				
	£	£	£	£	£	£	£	£	£
	Income	Expenditure	Transfers	Balance c/f	Balance b/f	Income	Expenditure	Transfers	Balance c/f
Other Funds									
Depreciation and maintenance fund	-	-	(41,126)	-	41,126	-	-	-	41,126
Contingency fund	-	-	(261,246)	-	261,246	-	-	-	261,246
Fixed assets	-	-	6,345	6,345	-	-	-	-	-
Touring & freelancer support	-	-	(183,108)	-	243,315	1,387,869	(1,340,189)	(107,887)	183,108
Website & IT infrastructure	-	(27,670)	30,000	30,000	-	-	-	27,670	27,670
John Ellerman Foundation - Multi-Yr Grant	80,000	(40,000)	-	40,000	-	-	-	-	-
Statutory staff training	-	(1,820)	-	3,250	-	-	-	5,070	5,070
Commissioning commitments	-	(28,227)	-	46,920	-	-	-	75,147	75,147
Artistic innovation	1,711,789	(1,538,575)	164,631	337,844	-	-	-	-	-
	1,791,789	(1,636,292)	(284,504)	464,360	545,687	1,387,869	(1,340,189)	-	593,367
Free Reserves	-	-	284,504	284,504	-	-	-	-	-
Unrestricted Funds Total	1,791,789	(1,636,292)	-	748,864	545,687	1,387,869	(1,340,189)	-	593,367

Please note that a review of these funds is conducted by the Board of Trustees on an annual basis, and new funds have been designated in 2024/25 to better reflect our Free Reserves, and our commitment to innovation.

1) Depreciation and Maintenance Fund: This has been wound down, and the balance transferred to the Free Reserves Fund.

2) Contingency Fund: This has been wound down, and the balance transferred to the Free Reserves Fund.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

3) Touring and Freelancer Support: Fund naturally wound down by March 2025, and balance transferred to the Artistic Innovation Fund.

4) Extra funds were designated in 2023/24 to cover investment in IT, new statutory one-off training requirements, and our existing commissioning fee commitments.

5) An unrestricted 3-Year grant of £120k was awarded for financial years 2024/25-2026/27. The expectation from the funder is that we will spend this £120k evenly across 3 years, and they are paying us in equal tranches of £40k to reflect this expectation. The Charity SORP however, dictates that the £40k received in 2025/26 be reflected in 2024/25, so we have designated a special fund for this grant from the John Ellerman Foundation, to account for this timing issue, and properly reflect how the funds will be spent.

6) Artistic Innovation: New fund created in 2024/25 - designated to protect our commitment to invest in innovation and outreach projects, as authorised by our Trustees.

7) Free Reserves: Our Reserves Policy has been updated and signed off by the Board. Therefore the balance of the Free Reserves fund should not be no less than 5 months of operating costs.

The purpose of this fund is to:

- increase the Company's cashflow and enable it to be a prompt payer
- free the Company from reliance on bank overdraft or other debt financing for its working capital
- enable the Company to survive the insolvency of one or more of its principal debtors
- protect the Company from the effects of significant, unforeseeable one-off shortfalls in anticipated income
- cushion the financial consequences of unforeseeable major incidents or adverse conditions affecting the Company, its touring or its premises allow the Company to assume greater commercial risk in undertaking more diverse, challenging and innovative work.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

16 Analysis of net assets between funds

2025					2024				
	£	£	£	£	£	£	£	£	
	Unrestricted Funds		Restricted Funds	Total Funds	Unrestricted Funds		Restricted Funds	Total Funds	
	General	Designated			General	Designated			
Fund balances at 31 March 2025 are represented by:									
Tangible assets	-	6,344	-	6,344	-	4,144	-	4,144	
Investments	-	1	-	1	-	1	-	1	
Current assets/(liabilities)	284,504	458,015	-	742,518	-	589,221	19,337	608,559	
	284,504	464,360	-	748,864	-	593,367	19,337	612,704	

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

17 Operating lease commitments

At the reporting end date, the Charitable Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Within one year	39,465	18,467
Between two and five years	104,768	-
	144,233	18,467

18 Related Party Transactions

One of Headlong Theatre Limited's Trustees, (Patrick Dillon), is also a Trustee at Chichester Festival theatre as of 8th December 2023. This was declared by Mr. Dillon at the time, and is noted here as Headlong Theatre and Chichester Festival Theatre produced a show together in financial year 2024/25, and as Trustee, Mr. Dillon has influence on both boards - this was considered by Headlong Theatre's Chair and Executive Team, during any material conversations. (2024: none).

19 Cash generated from operations

	2025	2024
	£	£
Surplus/(deficit)	136,159	67,017
Adj:		
Investment income	(5,123)	(3,669)
Amortisation etc.	1,282	2,119
Movements:		
(Increase) in debtors	(344,999)	(49,665)
Increase in creditors	(70,678)	71,554
Cash generated from/(absorbed by) operations	(283,358)	87,356

HEADLONG THEATRE LIMITED

England & Wales - Charity number 267965

Accounts

Charity registration number 267965

Company registration number 01171757 (England and Wales)

HEADLONG THEATRE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

HEADLONG THEATRE LIMITED

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HEADLONG THEATRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Audibert (Resigned 5 December 2023) A Cornelius (Appointed 14 June 2023) K Dickens (Appointed 13 June 2023) P Dillon C Donald (Resigned 5 December 2023) S Ellis L Harvey J Head C Heaney (Appointed 14 June 2023) J Hurt P Isaac N Jones (Resigned 14 June 2023) L Lambley D Munday (Resigned 14 June 2023) T Phillips (Resigned 1 September 2024) T Racklin (Resigned 1 September 2024) L Wan
Charity number	267965
Company number	01171757
Oxford office (and registered address)	Oxford Playhouse 11-12 Beaumont St Oxford OX1 2LW
London office	3rd Floor 207 Waterloo Road London SE1 8XD OX1 2LW
Auditor	Azets Audit Services 2nd Floor Regis House 45 King William Street London EC4R 9AN
Bankers	HSBC plc 65 Cornmarket Street Oxford OX1 3HY
Key management personnel:	
Artistic Director/Chief Executive	H Race Roughan
Executive Director/Chief Executive	L Maguire

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The report, prepared in accordance with the Charities Act 2011, also constitutes a directors' report for the purposes of company legislation.

The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

EXECUTIVE SUMMARY

2023-24 has been a year of stabilisation and innovation for Headlong. With our sector vulnerable after the challenges of the past few years, we were proud to continue playing a vital role connecting theatres, artists and audiences across the nation with high-quality, exhilarating theatre. We began our programme with Miranda Rose Hall's *A Play for the Living in a Time of Extinction* in a hugely ambitious eco-touring model helmed by Katie Mitchell. The production started life with our co-producers at the Barbican before being restaged by local artists in Coventry, Knowsley, Stoke-on-Trent, Plymouth and York. Working in co-production with The Royal Exchange, Factory International for Manchester International Festival and the Young Vic we staged the UK premiere of Kimber Lee's *untitled f*ck m*ss s**gon play* in Manchester and London, directed by Roy Alexander Weise. In the autumn Holly Race Roughan directed Arthur Miller's *A View From the Bridge* in a fresh and thrilling co-production with Octagon Theatre Bolton, Chichester Festival Theatre and Rose Theatre Kingston. Finally, our West End transfer of James Graham's award-winning *Best of Enemies* was presented by NT Live and NT at Home.

We reached 61,034 people in nine towns and cities across the nation during the year and were thrilled with the critical and popular responses to our work on stage. Additionally, 18,567 people across the UK saw *Best of Enemies* in cinemas on its first night of screening.

Offstage, we continued to demonstrate our commitment to nurturing the brightest artists, especially those working and living outside London. Our respected Headlong Origins artist development programme supported five early-career directors to level up their careers and our third Writer in Residence joined us in London for a year-long bespoke attachment. The networks we have built over many years of touring allowed us to reach and platform a large and diverse group of freelance artists and creative practitioners whose talents and dedication enriched all aspects of our work. We also worked with community cyclists and choirs across the country on *A Play for the Living in a Time of Extinction* and women with refugee status in Bolton, developing new relationships and connections and deepening dialogue between local cultural providers and diverse groups underrepresented in the arts.

In April, Headlong became part of the Arts Council England's Transfer Programme, committing to a feasibility process with a view to setting up a new base outside of London by 31st October 2024. As a National Portfolio Organisation, this decision has helped to secure our vital public subsidy and confirm our identity as a truly national touring company. Rightly, this process was a significant focus for the Executive and Board throughout the year and has led to the design of a new operational model, the creation of a new three-year strategic plan, a new base in Oxford including Associate partnerships with the Oxford Playhouse and the Cultural Programme at the Schwarzman Centre for the Humanities as well as Associate Partnerships with Octagon Theatre Bolton and Leeds Playhouse.

Our work would not be possible without the dedication and generosity of so many. In 2023-24 we would like to thank our funders, including Arts Council England, Backstage Trust and our family of individual donors; the many artists, creatives and practitioners who worked with us throughout the year; our theatre and venue partners across the country; the audiences who came to see our shows; and our brilliant, hardworking staff team.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2023-24 Key Achievements

- A total live and digital audience of 79,601 for three new plays and one classic including three national tours;
- 183 performances in nine locations including three levelling up areas;
- We continued to make a case for the importance of new writing in post-Covid theatre-making including producing the winner of the Bruntwood international prize Kimber Lee. *untitled f*ck m*ss s**gon* play was nominated for best new play at the UK Theatre Awards and Kimber was nominated for the Charles Wintour Award for Most Promising Playwright at the Evening Standard Awards;
- We celebrated the fourth year of Headlong Origins, nurturing five early career directors working and living outside London to take a step up in their careers;
- We collaborated with 115 freelance artists, practitioners and creative professionals, and welcomed our third Writer in Residence.

WHO WE ARE AND WHAT WE DO

Led by Artistic Director Holly Race Roughan and Executive Director Lisa Maguire, Headlong is the UK's leading touring theatre company. For almost 50 years, we have been bringing artists, audiences and communities together to make and experience award-winning, exhilarating theatre.

We partner with theatres from Plymouth to York to champion local stories, inspire diverse audiences and sustain regional venues across the nation. Mid-scale, with national impact, we support underrepresented and early-career artists with accessible pathways into the industry, nurture the brightest writers to write their best plays, and bring communities together to co-create theatre that breaks down barriers and ignites important conversations. The role we play as the linchpin connecting theatres, artists and audiences across the nation with high-quality touring work is critical to the vitality and future of UK touring theatre.

Since 2016, over 1.75 million people of all ages and backgrounds have experienced a Headlong production on stage, screen and online. Our productions regularly receive 4- and 5-star critical acclaim, rapturous audience feedback and major Olivier and UK Theatre awards. Previous shows include the Olivier Award-winning *This House and Labour of Love*, the five-starred hits *Best of Enemies* and *People, Places & Things*, national tours of *Henry V*, *Junkyard* and *Jitney*, and major digital theatre innovations *Signal Fires* and *Unprecedented*. We are industry leaders in promoting new writing, sustainability, equality, diversity and inclusion and are proud to be acknowledged as a key/prescribed practitioner for A-Level Drama and Theatre studies.

Core Aims and Objectives

- To commission and programme new writing that ensures tomorrow's classics reflect the cultural richness of our country today, sustaining and supporting the UK's mid-scale new writing ecology;
- To deliver work with the highest quality production values, engaging audiences across the country with the questions of our time;
- To meaningfully collaborate with local communities and cultural organisations to improve wellbeing and broker local connections, leaving a legacy of stronger and more resilient localities;
- To connect these localities via professional touring, helping to cross-pollinate the nation's imagination;
- To explore environmental responsibility in form and content, creating replicable models for a sustainable touring industry and placing the climate crisis at the heart of public discourse;
- To nurture the next generation of regional artists through bespoke talent development programmes;
- To innovate and experiment with new models of making and distributing work to revitalise the contemporary touring landscape, better serve communities and reach new audiences.

"We have worked with Headlong in a series of co-productions and collaborations since 2014. They are brilliant project partners; flexible, visionary and generous. I'd go so far as to say that they have become the indispensable company on the mid-scale touring circuit in recent years addressing a critical need for the highest quality work in venues across the UK."

James Brining, Artistic Director/Joint CEO, Leeds Playhouse

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

ACHIEVEMENTS AND PERFORMANCE

After a period of significant change, the company focussed on the recruitment of a number of key roles on a mix of fixed-term and permanent contracts to establish a more stable staff team. During the year we welcomed three new trustees to our Board: Anna Cornelius, Claire Heaney, and our new Chair, Kathy Bourne.

We also said goodbye to four of our dedicated trustees: Justin Audibert, Cas Donald, Nicky Jones, and after 13 years on the Board (three as Chair), Donna Munday.

Productions

A Play for the Living in a Time of Extinction

26 May 2023 – 30 September 2023

Our ground-breaking eco-tour of *A Play for the Living in a Time of Extinction* by Miranda Rose Hall faced the climate crisis head-on. This national tour was a co-production between Headlong and the Barbican, working in close partnership with and playing at the Belgrade Theatre, Coventry, Shakespeare North Playhouse, the New Vic Theatre, Theatre Royal Plymouth and York Theatre Royal.

Taking inspiration from an international project conceived by Katie Mitchell, Jérôme Bel and Théâtre Vidy-Lausanne, we challenged ourselves to radically shift our touring model by disallowing the movement of any personnel across venues and keeping the movement of materials to a very bare minimum. Following the initial production, starring Lydia West, we staged the play at five regional venues with a local team of theatre makers. This included two graduates from our Origins Directors programme, Nyasha Gudo and Ellie Taylor.

"This could - and should - become a blueprint for environmentally sustainable theatre." Arifa Akbar, The Guardian

untitled f*ck m*ss s**gon play

24 June 2023 – 4 November 2023

Roy Alexander Weise (*The Mountaintop*) directed this "witty and thought-provoking" (The Telegraph – 4 stars) new play by American Kimber Lee in a co-production with the Royal Exchange, Factory International for Manchester International Festival and the Young Vic. Critical acclaim also included 4 stars from the Guardian and the Financial Times ("a blazingly satirical drama about the prejudice and casual stereotyping that so many British east Asian and south-east Asian actors have encountered).

A View from the Bridge

07 September 2023 – 11 November 2023

Holly Race Roughan directed a "thrilling and dynamic" (The Guardian, 4 stars) revival of Arthur Miller's classic, *A View from the Bridge*. A co-production with Bolton Octagon, Chichester Festival Theatre and Rose Theatre Kingston. "Disturbing and gripping, it's a view you can't look away from" (What's On Stage 4 stars).

"[Headlong] are a company who respond to the world around us with urgency and imagination whilst simultaneously nurturing artists of all experience so that they can creatively thrive. They are a truly vital artery in the body of UK theatre."

Justin Audibert, Artistic Director, Chichester Festival Theatre

Audiences

By touring widely, we reduce geographic barriers to high-quality theatre, benefitting thousands of people every year by providing exceptional midscale theatre near where they live. In 2023-24, we reached 61,034 audience members in nine towns and cities across the UK, including in Bolton, Chichester, Coventry, Knowsley, London, Manchester, Plymouth, Stoke and York. 18,567 people across the UK saw *Best of Enemies* in cinemas on its first night screening.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Audiences (continued)

Our digital reach saw notable growth over the past year. E-newsletter subscribers increased by 41%, reaching 20,066 by the end of 2023-24, up from 16,000 the previous year. Social media followings also rose slightly, totalling 58,951 across Instagram, X, and Facebook, compared to 58,000 in 2022/23. Instagram saw the most significant growth at 12%, reaching 5,869 followers, while X and Facebook remained stable with 43,514 and 9,568 followers, respectively, highlighting a strong digital presence across platforms.

Community

As a touring company, we work in partnership with like-minded local cultural providers and grassroots organisations to support local venues to become civic spaces for their local communities. We add value to key education providers and schools and nurture audiences for both Headlong and regional partners through co-creation. In 2023-24 we continued our work of embedding community activity into our artistic programme.

A Play for the Living in a Time of Extinction

This touring model created unique opportunities for us and our partner venues to make new relationships within their communities. Headlong's in-house Communities Associate, Iskandar إسكندر R. Sharazuddin, collaborated with each venue's Participation and Producing teams, to source cyclists for all performances, as well as local choirs. In London, this included the engagement of the Citizens of the World Choir which celebrates the artistry, heritage and humanity of people seeking sanctuary, and their allies. The impact on the choir members and cyclists in each touring venue cannot be overstated, especially as some of these members had absolutely no involvement with theatre prior to this engagement.

untitled f*ck m*ss s**gon play

During the *untitled f*ck m*ss s**gon play* run in London we curated the event *Untitled - Rage & Joy* – during ESA Heritage Month. Approximately 200 people attended the event.

A View from the Bridge

At Octagon Theatre Bolton - a theatre of sanctuary - we delivered a weekly dance project for local women with refugee status. This culminated in a pre-show performance on stage. There was a strong retention rate for participants, who had not performed in public before.

Headlong also undertook research and development of a new initiative focused on young people and supported by the Buffini Chao Foundation. Young people from around the country worked in a hybrid manner beginning in a digital space and coming together in person with artist-facilitator Paula Varjack. The intention was to explore methods of collaborative practice through multiple digital and social media platforms leading to beta-testing new performance ideas that could exist in both digital and live contexts.

This was the second phase in a pilot programme of testing new ideas of working digitally to help Headlong develop a national Digital Young Company. During this residency programme artists and makers developed their creative practice through a series of seed projects which they were then able to present in a closed sharing. In addition to guest facilitators Tristan Alabanza & Ryan Lanji, the participants were led through a series of tasks in an exciting R&D process which was about generating content quickly and in an off-the-cuff way. Through meeting digitally first and then coming together in person creative collaborations were supercharged. Artists who had never met before were suddenly developing performance scores of new work, playing with multiple platforms to tell one story, and exploring liveness in audio-visual and text based mediums. We aim to develop this project further in 2024.

Artist Development

In 2023-24, we continued to play a major role in future-proofing our industry by developing artists, especially those living and working outside London. The networks we have built over many years of touring allow us to reach the brightest local artists and offer them unparalleled access to professional opportunities on a national scale.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Origins

Our respected year-long Headlong Origins programme, funded by Backstage Trust, continued in 2023-24 for the fourth time. It has supported another five early-career directors based outside of London, to develop the skills, experience, relationships and ideas to realise their artistic ambitions and move forward in their careers.

"Being recruited for the Headlong programme was a game changer for me. Their belief in supporting regional directors cannot be underestimated for the good it does, not only for the individual, but for the creative industry as a whole as it introduces and champions non-London centric creatives."

Lexie Ward, Origins 4 participant

Headlong Commissions

As of March 2024 Headlong had 12 plays under commission from 13 writers reflecting a diverse range of both established and emerging voices: The works under commission represent a balance of Headlong's commitment to classics of tomorrow with something to say, and adaptations that allow us to see the canon anew. Three of our commissions are radical reimaginings of existing works with major 'Headlong' interventions (*The Ballad of Mulan*, *Heart of Darkness*, *The Cherry Orchard*). Of the new plays, two speak directly to the climate emergency.

Writer in Residence

Rhashan Stone became our third writer in residence. The role has evolved to see Stone fully embedded as a key voice in the artistic team as part of ideas generation and incubation, as well as supporting the recruitment and ongoing mentoring of our Origins directors.

Justice: Equality, Diversity & Inclusion

In 2023-24, we continued to hold regular internal Justice meetings for all staff, to which Board members were frequently invited, and discussed progress against our goals at every Board meeting. We also used a Justice checklist to ensure our targets were embedded into our producing processes and debriefed after every production to assess how we had performed to our goals. All four Justice Plans are now published on our website.

We continue to monitor and ensure gender balance and full representation across all our work and among our staff and Board. Our Board at 31 March 2024 was 77% female or non-binary, 23% male and 23% Global Majority. The Board, Finance and General Purposes and Nominations Committees are all chaired by women. Our diverse, female-led workforce was 40% Global Majority and we continued to use the Weston Jerwood Creative Bursaries Toolkit to ensure our recruitment processes were as inclusive as possible.

Since 2019, Headlong has achieved gender parity across all commissions, with at least one in four new works also written by an artist from the Global Majority. We maintained this industry-leading standard in 2023-24. Of the freelancers we worked with, 60% were female or non-binary, including directors, actors, stage managers, designers and writers, and 37% Global Majority. We also worked with 16 individuals who identified as disabled and/or neurodiverse.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Financial review

Financial Sustainability

As a proud National Portfolio Organisation, we are reliant on public funding to survive, and we work very hard to ensure every production achieves maximum impact and public benefit. In 2022-23 we made a successful application for renewed funding that addressed the strategic priorities of Arts Council England's 10-year strategy, *Let's Create*. As a result of this, we were invited to enter their Transfer Programme, a parallel investment programme developed following the Arts Council's comprehensive spending review in 2021. This achievement will safeguard the core public funding that is vital to our existence and confirm our identity as a truly national touring company, helping us to contribute even more to strengthening arts and investment opportunities outside London. Following feasibility research throughout 2023 and early 2024 we made the decision to establish a new base in Oxford as part of a new operational model that will see us enter into Associate Partnerships with venues in Oxford, Bolton and Leeds during 2024-25.

In 2023-24, we ended the year with a planned surplus of £67,017 and carried forward reserves of £612,704 (2022-23: £545,687), £19,337 of which were restricted (2022-23: £0). Arts Council England NPO funding of £692,302 (2022: £692,302) was received, comprising 45% of our total income (2022-23: 60%). This vital core funding supported all artistic and community activity and talent development. We also received a Feasibility Grant from the Arts Council to support the planning and strategy for our transfer out of London. Our remaining funding comprised 38% from production income, 11% was raised from fundraising from Trusts, Foundations and Individual Donors, and the remainder came from Theatre Tax Relief and investment interest.

Our Finance Director continued to oversee, re-evaluate and refine the established systems we have in place, which provide checks and balances and an appropriate audit trail, while maintaining a high level of accuracy and efficiency. All bank transactions were subject to a two-person authorisation system and all budgets were supervised by individual internal budget-holders, with expenditure signed off by a second authoriser before being paid. At Board level, on a quarterly basis all financial papers were first checked by and discussed with the Financial and General Purposes Committee, before they were reported to the full Board.

Reserves Policy

The trustees aim to maintain unrestricted reserves at a level that ensures sufficient reserves are available at any time to complete committed projects and administrative costs. Our minimum reserves level, is at least 3 months of operating costs (i.e. our designated Contingency Fund) the minimum reserves required to complete committed projects and administrative costs. The Trustees have deemed this an appropriate level.

The carried forward reserves as at 31st March 2024 are £612,704 (2022-23: £545,687). £19,633 of these are restricted (2022-23: £0). This is all in line with our reserves policy.

Included in the unrestricted reserves figure for 2023-24, there is planned investment of £202,445 to support post pandemic recovery and to support artistic innovation in 24/25 and beyond, as well as further £107,887 for committed future costs. There are no undesignated funds, and Headlong continues to balance innovation with rigorous financial management.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Reserves Policy (continued)

In 2023-24 the Finance Director proposed an updated reserves structure to the Financial and General Purposes Committee, to better reflect the current landscape, and our goals for the company, these changes are described below, and most will be implemented from 2024-25 onwards. The changes for 2023-24 are the addition of 3 additional designated funds as below.

Headlong now has six unrestricted designated funds, as follows:

- **Contingency fund:** a minimum of 3 months' operating costs held, as per industry best practice.
- **Depreciation and Maintenance fund:** no less than £30,000. These two funds will be combined into one Contingency fund from 2024-25 onwards.
- **Website & IT Infrastructure:** £27,670 designated for a one-off investment in developing a new website and IT system. This investment will allow Headlong to build its brand, while being more efficient and more sustainable.
- **Statutory Staff Training:** £5,070 designated to cover the newest statutory one-off training requirement.
- **Commissioning Commitments:** £75,147 designated for all the historic commissioning commitments we have made for writers' fees, not budgeted for elsewhere.
- **Touring and Freelancer Support Fund:** We made a planned investment of reserves into our touring work in 2022/23 to support the post-pandemic recovery of our venue partners and freelance artists. This strategic investment continued in 2023-24. In 2024-25 the fund is expected to be wound down, and Headlong will create a new Artistic Innovation fund to support the exciting next chapter of our work.

The Board has considered and discussed the company's financial future, including the ongoing legacy of COVID-19, and considers Headlong Theatre Limited a going concern.

Risk Management

The trustees have conducted a review of Headlong's activities and the major risks to which it is exposed. An established risk register is updated annually, and systems and procedures have been established to monitor and mitigate any risks identified in the register.

The report below includes the risks that the trustees deemed to be most significant to the company during 2023-24.

The main risks identified were:

- The co-production market changes adversely to Headlong. This risk was controlled and mitigated by continuing to develop relationships with co-producers and further developing audiences. Other measures included work to maximise the company's return from Theatre Tax Relief, consulting venues and co-producers ahead of creating the new strategic plan and an intention to reduce overheads with the new operational model.
- A drop in contributed income. This risk was controlled and mitigated by prioritising fundraising in the new structure, including the creation of the Development Director role as well as clarifying the company's mission, vision and values, fundraising strategy and case for support in line with the creation of the new strategic plan.
- Force majeure (external risk). This risk was introduced following COVID-19 and the major impact it has had on the performing arts industry. The risk score is high and will likely remain so, dependent on the UK's overall recovery. Headlong will continue to monitor the situation and adapt accordingly.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Fundraising

In 2023-24, we continued to nurture long-term relationships with individuals and trusts who understand and support our values and wish to support our work. Following the recruitment of a Development Director, a new strategy was put into place to plan for a substantial increase of income in 24-25, while ensuring we remained on track to meet the 23-24 target.

Although a challenging year for fundraising, we were successful in raising a total of £166,587 (an increase from 22/23; £119,852). This included an 80% increase in Individual Giving renewal income which is testament to long term supporters' belief in our programming and strategy.

In addition to vital core funding from Arts Council England, we received five small trust grants as well as the fourth annual grant from Backstage Trust in support of our Headlong Origins talent development programme.

As part of our commitment to good practice, we ensure that our fundraising activity is subject to statutory regulations and GDPR. We received no complaints during the year in relation to our fundraising activity.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

In February 2024 we announced our 2024-25 season, a dynamic programme of innovative new writing and reimagined classics that will celebrate the company's 50th anniversary and bring award-winning artists and bold new voices to audiences across the country:

The House Party

Headlong in a co-production with Chichester Festival Theatre (CFT) will present *The House Party* by writer Laura Lomas - a reimagining of August Strindberg's *Miss Julie* for today's generation. Produced in association with Frantic Assembly, *The House Party* will be directed by Headlong Artistic Director Holly Race Roughan playing from 3 May - 1 June 2024 at CFT's Minerva Theatre.

A Raisin in the Sun

Continuing Headlong's commitment to distributing high quality drama nationally, a fresh new staging of *A Raisin in the Sun* by director Tinue Craig (*Jitney*) will play in nationwide venues from 13 September 2024 in a Headlong, Leeds Playhouse, Lyric Hammersmith Theatre and Nottingham Playhouse production, also visiting Associate Partners Oxford Playhouse. Ground-breaking, pioneering and challenging, Lorraine Hansberry's *A Raisin in the Sun* broke barriers as the first play by a Black woman on Broadway.

The New Real

Artistic Director Holly Race Roughan will direct the Royal Shakespeare Company's world premiere of acclaimed playwright David Edgar's (*Nicholas Nickleby*, *Pentecost*) major new political play *The New Real* produced in association with Headlong at the RSC's The Other Place playing in October and November 2024. In a year of epoch-changing elections, David Edgar's *The New Real* is an epic, panoramic play about how the political fault-line was redrawn. An origin story. For right now.

Alongside our work on stage, we will continue our community and artist development activity. We plan to work with community organisations and schools local to performances while we are on tour. We will welcome our fifth cohort of Headlong Origins early-career directors and continue commissioning and developing distinctive new writing from some of the UK's most exciting voices. We will be developing plans to deliver a new national Digital Young Company for young people aged 18-21 to learn new skills to support their creative work on digital platforms as well as develop soft skills for this generation who were heavily impacted by Covid-19 and associated lockdowns.

In 2024-25, we will join the trialer's group for the second iteration of the Theatre Green Book in order to support our environmental goals. We will also progress our Justice work, with a focus on reviewing our Justice plans for Race and Disability.

Organisationally, we will plan for our transfer out of London by 31st October 2024, a move which will coincide with our 50th anniversary year and represent an exciting and significant step forward as we continue our work supporting artists, audiences and venues across the nation.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

Headlong Theatre Limited is a company limited by guarantee registered in England and Wales (number 1171757) and a charity registered with the Charity Commission in England and Wales (number 267965). Its governing document is its Memorandum and Articles of Association.

During 2023-24 the company was based in London and had a permanent staff of six, led by an active and engaged volunteer Board of directors.

Directors are recruited via an open and inclusive process led by the Board's Nomination Committee. Individuals are formally appointed by majority vote after being proposed by another member of the Board at a Board meeting. On appointment, new trustees are given a Board induction pack which provides information on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, decision-making processes, Headlong's financial position and the business plan. Trustees are also supplied with a copy of the company's Memorandum and Articles of Association. All trustees are offered training appropriate to their roles on the Board.

The Board meets quarterly to receive artistic, organisational and Justice reports from senior leadership and review management accounts and annual budgets. A Finance and General Purposes Committee, made up of six trustees, also meets quarterly prior to each Board meeting to scrutinise the management accounts and cash flow, manage the organisational risk register and review day-to-day management. Trustees devolve responsibility for the running of the charity to the key management personnel and joint Chief Executives.

Headlong is committed to employing staff who are amongst the best and most ambitious employees in the sector. As such, we set our rates of pay competitively with other subsidised theatre buildings and touring companies. The remuneration of each of our key management personnel is agreed by the Finance and General Purposes Committee of the Board and is determined by the seniority, experience and skills of the staff member.

The Trustees, who are also the directors for the purpose of company law, who served during the year and up to the date of signature of the financial statements were:

J Audibert (Resigned 5 December 2023)
A Cornelius (Appointed 14 June 2023)
K Dickens (Appointed 13 June 2023)
P Dillon
C P Donald (Resigned 5 December 2023)
S Ellis
L Harvey
J Head
C Heaney (Appointed 14 June 2023)
J Hurt
P Isaac
N Jones (Resigned 14 June 2023)
L Lambley
D Munday (Resigned 14 June 2023)
M Phillips (Resigned 1 September 2024)
T Racklin (Resigned 1 September 2024)
L Wan

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

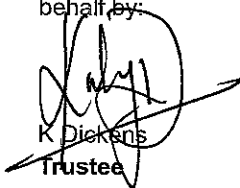
FOR THE YEAR ENDED 31 MARCH 2024

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Report of the Trustees report was approved by the Board of Trustees on 3 December 2024 and signed its behalf by:


K Dickens
Trustee

3 December 2024

HEADLONG THEATRE LIMITED

STATEMENT OF REPORT OF THE TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees (who are also the directors of Headlong Theatre Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP FRS 102;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HEADLONG THEATRE LIMITED

Opinion

We have audited the financial statements of Headlong Theatre Limited (the "Charitable Company") for the year ended 31 March 2024 which comprise and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Report of 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 other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Report of the Trustees report has been prepared in accordance with applicable legal requirements.

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HEADLONG THEATRE LIMITED

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 directors' report included within the Report of 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 Report of the Trustees report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Report of the Trustees responsibilities, the Trustees, who are also the directors of the Charitable Company for the purpose 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.

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.

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

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HEADLONG THEATRE LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Azets Audit Services

John Howard (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

12 December 2024

Chartered Accountants
Statutory Auditor

2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

HEADLONG THEATRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Donations and legacies	3	735,749	154,640	890,389	732,154	80,000	812,154
Charitable activities	4	648,451	-	648,451	337,303	-	337,303
Investments	5	3,669	-	3,669	1,814	-	1,814
Total income		1,387,869	154,640	1,542,509	1,071,271	80,000	1,151,271
Expenditure on:							
Charitable activities	6	1,340,189	135,303	1,475,492	1,076,431	222,549	1,298,980
Net income/(expenditure) for the year/							
Net movement in funds		47,680	19,337	67,017	(5,160)	(142,549)	(147,709)
Fund balances at 1 April 2023		545,687	-	545,687	550,847	142,549	693,396
Fund balances at 31 March 2024		593,367	19,337	612,704	545,687	-	545,687

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HEADLONG THEATRE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	10		4,144		3,236
Investments	11		1		1
			<u>4,145</u>		<u>3,237</u>
Current assets					
Debtors	12	631,545		500,095	
Cash at bank and in hand		412,024		405,811	
		<u>1,043,569</u>		<u>905,906</u>	
Creditors: amounts falling due within one year	13	(435,010)		(363,456)	
Net current assets			608,559		542,450
Total assets less current liabilities			<u>612,704</u>		<u>545,687</u>
Income funds					
Restricted funds	14		19,337		-
Unrestricted funds			593,367		545,687
			<u>612,704</u>		<u>545,687</u>

The financial statements were approved by the Trustees on 3 December 2024


K Dickens
Trustee

Company registration number 01171757

HEADLONG THEATRE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	19		5,571		(282,929)
Investing activities					
Purchase of tangible fixed assets		(3,027)		(1,040)	
Investment income received		3,669		1,814	
Net cash generated from investing activities			642		774
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			6,213		(282,155)
Cash and cash equivalents at beginning of year			405,811		687,966
Cash and cash equivalents at end of year			412,024		405,811

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Headlong Theatre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 11-12 Beaumont St, Oxford Playhouse, Oxford, OX1 2LW.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; the Companies Act 2006; the Charities Act 2011 (as amended by provisions of the Charities Act 2022); and the requirements of the Statement of Recognised Practice, Accounting and Reporting by Charities (effective 1 January 2015). The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the Charitable Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the entity has adequate resources to continue in operational existence for the foreseeable future. The trustees continue to take all available steps to maintain sufficient resources in order for the Theatre can continue and, based on projections and available information, have a reasonable expectation that the theatre will have sufficient funds to continue to meet its liabilities as they fall due for the foreseeable future and therefore had prepared the financial statements on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; the Companies Act 2006; and the requirements of the Statement of Recognised Practice, Accounting and Reporting by Charities (effective 1 January 2015). The financial statements have been prepared under the historical cost convention.

Cash donations are recognised on receipt. Other donations are recognised once the Charitable Company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations and legacies including core grants, sponsorship and gifts are included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Cost of raising funds are those costs incurred in attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the staging of its projects and performances. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

Allocation and apportionment of costs governance costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs, administrative office function costs, depreciation, HR and recruitment, and premises costs. They are incurred directly in support of expenditure on the objects of the charitable company.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination fees. fees.

Support and Governance costs have been 100% allocated to the charitable activity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	Over 4 years
Fixtures and fittings	Over 4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the Charitable Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The Charitable Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the entities balance sheet when the Charitable Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charitable Company's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charitable Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Legal Status

The charitable company is a company limited by guarantee. The Memorandum of Association restricts the liability of members on winding up to £1 unless their liability becomes unlimited through contravention of the Memorandum. In the case of winding up none of the accumulated funds are distributed to the members but shall be given or transferred to some other charitable institution having similar objectives.

1.14 Public Benefit

The charitable company meets the definition of a public benefit entity under FRS 102.

1.15 Fund accounting

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

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

2 Critical accounting estimates and judgements

In the application of the charities accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Donations and legacies

	Unrestricted funds general 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £
Trust funding and donations	43,447	123,140	166,587	39,852	80,000	119,852
Grants - Art Council England	692,302	31,500	723,802	692,302	-	692,302
	<u>735,749</u>	<u>154,640</u>	<u>890,389</u>	<u>732,154</u>	<u>80,000</u>	<u>812,154</u>

4 Charitable activities

	Operation of touring theatre 2024 £	Operation of touring theatre 2023 £
Ancillary trading income	562,460	308,403
Other income	71,991	18,092
Royalty income	14,000	10,808
	<u>648,451</u>	<u>337,303</u>

5 Investments

	Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
Interest receivable	<u>3,669</u>	<u>1,814</u>

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

6 Charitable activities

	Operation of Touring Theatre 2024 £	Operation of Touring Theatre 2023 £
Operation of Touring Theatre	862,681	807,773
Share of support costs (see note 7)	586,957	477,236
Share of governance costs (see note 7)	25,854	13,971
	<u>1,475,492</u>	<u>1,298,980</u>
Analysis by fund		
Unrestricted funds - general	1,340,189	1,076,431
Restricted funds	135,303	222,549
	<u>1,475,492</u>	<u>1,298,980</u>

All costs are allocated between the expenditure categories noted above on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, for example, time spent, per capita or floor area.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Support costs

	Support costs	Governance costs	2024 Support costs	Governance costs	2023
	£	£	£	£	£
Staff costs	447,075	-	447,075	409,183	409,183
Depreciation	2,119	-	2,119	1,557	1,557
Marketing costs	12,140	-	12,140	8,625	8,625
Hospitality and memberships	6,828	-	6,828	7,367	7,367
Raising funds	12,995	-	12,995	13,856	13,856
Office expenses	85,449	-	85,449	24,250	24,250
Transfer programme	14,663	-	14,663	-	-
Insurance and health and safety	5,687	-	-	12,397	12,397
Audit fees and other services	-	18,109	18,109	-	9,746
Legal and professional	-	7,450	7,450	-	4,147
Board Expenses	-	295	295	-	78
	<u>586,957</u>	<u>25,854</u>	<u>612,811</u>	<u>477,236</u>	<u>491,207</u>
Analysed between Charitable activities	<u>586,957</u>	<u>25,854</u>	<u>612,811</u>	<u>477,236</u>	<u>491,207</u>

Governance costs includes payments to the auditors of £8,520 (2023: £8,200) for audit fees.

8 Trustees Remuneration

None of the Trustees received any remuneration or benefits during the year (2023: none).

9 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	<u>8</u>	<u>8</u>
Employment costs	2024 £	2023 £
Wages and salaries	<u>447,075</u>	<u>409,183</u>

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Employees

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,000 - £69,999	2	2

The key management of the charity comprise the trustees, the Artistic Director and the Executive Director. The total employee benefits of the key management personnel of the charity were £128,036 (2023: £148,548).

10 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2023	58,933	2,101	61,034
Additions	2,448	579	3,027
At 31 March 2024	61,381	2,680	64,061
Depreciation and impairment			
At 1 April 2023	57,197	601	57,798
Depreciation charged in the year	1,497	622	2,119
At 31 March 2024	58,694	1,223	59,917
Carrying amount			
At 31 March 2024	2,687	1,457	4,144
At 31 March 2023	1,736	1,500	3,236

11 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2023 & 31 March 2024	1
Carrying amount	
At 31 March 2024	1
At 31 March 2023	1

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

12 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	543,867	316,934
Other debtors	12,000	33,191
Prepayments and accrued income	75,678	149,970
	<u>631,545</u>	<u>500,095</u>

13 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	67,105	13,361
Trade creditors	237,575	178,614
Other creditors	5,495	33,775
Accruals and deferred income	124,835	137,706
	<u>435,010</u>	<u>363,456</u>

Deferred Income represents production income deferred when the production income deferred when the production is scheduled to occur in the following financial year:

	2024	2023
	£	£
Balance b/fwd	-	23,725
Income Released in the year	-	(23,725)
Income Deferred In year	-	-
	<u>-</u>	<u>-</u>
Balance c/fwd at 31 March 2024	-	-

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2022	Movement in funds		Balance at 1 April 2023	Movement in funds		Balance at 31 March 2024
	£	Incoming resources £	Resources expended £	£	Incoming resources £	Resources expended £	£
ACE Feasibility	-	-	-	-	31,500	(22,163)	9,337
Backstage Trust_Headlong Origins	126,887	80,000	(206,887)	-	80,000	(80,000)	-
Buffini Chau_Digital Young Company	-	-	-	-	10,140	(10,140)	-
Buffini Chau_Headlong Futures	1,952	-	(1,952)	-	-	-	-
Cockayne Grants for the Arts_Gilgamesh	-	-	-	-	20,000	(10,000)	10,000
Garrick Charitable Trust_Writers' Programmes	-	-	-	-	3,000	(3,000)	-
John Ellerman Foundation_Writers' Programmes	13,710	-	(13,710)	-	-	-	-
Noel Coward Foundation_Writers' Programmes	-	-	-	-	5,000	(5,000)	-
Old Possum's Practical Trust_Writers' Programmes	-	-	-	-	5,000	(5,000)	-
	<u>142,549</u>	<u>80,000</u>	<u>(222,549)</u>	<u>-</u>	<u>154,640</u>	<u>(135,303)</u>	<u>19,337</u>

Restricted funds of £19,337 carries forward to 2024/25, comprising £10,000 from Cockayne Grants for the Arts, and £9,337 from Arts Council England's Feasibility Grant.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers
	£	£	£	£	£	£	£
Depreciation and Maintenance Contingency	41,125	-	-	41,126	-	-	-
Contingency	261,246	-	-	261,246	-	-	-
Touring & Freelancer Support	248,476	1,071,271	(1,076,431)	243,315	1,542,509	(1,475,492)	(107,887)
Website & IT Infrastructure	-	-	-	-	-	-	27,670
Statutory Staff Training	-	-	-	-	-	-	5,070
Commissioning Commitments	-	-	-	-	-	-	75,147
	550,847	1,071,271	(1,076,431)	545,687	1,542,509	(1,475,492)	-

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Designated funds

(Continued)

Please note that a review of these funds has been conducted by the Board of Trustees, and some extra funds have been designated in 2023/24 to cover investment in IT, new statutory one-off training requirements, and our existing commissioning fee commitments.

1) Depreciation and Maintenance Fund. The balance of this fund is intended to be no less than £30,000, and which is designated and set at a level sufficient to finance the future depreciation costs, as forecast, of currently held theatre and office equipment and to cover maintenance of a cyclical nature to the company's premises and equipment, repair costs which exceed ongoing budgetary allocations for this purpose, and improvements to the company's facilities. The Directors believe that a fund totalling £30,000 will be adequate for this purpose and intend to replenish it as funds are drawn down.

2) Contingency Fund. The balance of this fund is intended to be no less than £246,000. The purpose of this fund is to: · increase the Company's cashflow and enable it to be a prompt payer · free the Company from reliance on bank overdraft or other debt financing for its working capital · enable the Company to survive the insolvency of one or more of its principal debtors · protect the Company from the effects of significant, unforeseeable one-off shortfalls in anticipated income · cushion the financial consequences of unforeseeable major incidents or adverse conditions affecting the Company, its touring or its premises allow the Company to assume greater commercial risk in undertaking more diverse, challenging and innovative work.

3) Touring and Freelancer Support. Fund set up in 2021 to mitigate the impact of COVID-19 on the cash flow of regional venues and on freelancers, we allocated the balance of our undesignated unrestricted reserves to a designated Touring & Freelancer Support Fund. We expect this fund to naturally be wound down by March 2025, as we start to invest these funds into innovation and outreach projects, as authorised by our Trustees.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

16 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 March 2024 are represented by:						
Tangible assets	4,144	-	4,144	3,236	-	3,236
Investments	1	-	1	1	-	1
Current assets/(liabilities)	589,222	19,337	608,559	542,450	-	542,450
	<u>593,367</u>	<u>19,337</u>	<u>612,704</u>	<u>545,687</u>	<u>-</u>	<u>545,687</u>

17 Operating lease commitments

At the reporting end date the Charitable Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	18,467	39,726
Between two and five years	-	9,888
	<u>18,467</u>	<u>49,614</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2023: none).

19 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	67,017	(147,709)
Adjustments for:		
Investment income recognised in statement of financial activities	(3,669)	(1,814)
Amortisation and impairment of intangible assets	2,119	1,557
Movements in working capital:		
(Increase) in debtors	(131,450)	(383,312)
Increase in creditors	71,554	248,349
Cash generated from/(absorbed by) operations	<u>5,571</u>	<u>(282,929)</u>

HEADLONG THEATRE LIMITED

England & Wales - Charity number 267965

Accounts

Charity registration number 267965

Company registration number 01171757 (England and Wales)

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

HEADLONG THEATRE LIMITED

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HEADLONG THEATRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Cornelius	(Appointed 4 June 2023)
	K Dickens	(Appointed 13 June 2023)
	P Dillon	(Appointed 6 December 2022)
	S Ellis	
	L Harvey	(Appointed 6 December 2022)
	J Head	(Appointed 21 April 2022)
	C Heaney	(Appointed 14 June 2023)
	J Hurt	
	P Isaac	(Appointed 25 January 2023)
	L Lambley	
	M Phillips	
	T Racklin	(Appointed 6 December 2022)
	L Wan	
Charity number	267965	
Company number	01171757	
Registered office	3rd Floor 207 Waterloo Road London England SE1 8XD	
Auditor	Azets Audit Services 2nd Floor Regis House 45 King William Street London EC4R 9AN	
Bankers	HSBC plc 65 Cornmarket Street Oxford OX1 3HY	
Key management personnel:		
Artistic Director/Chief Executive	H Race Roughan	
Executive Director/Chief Executive	A Stacey (to 19 April 2022) L Maguire (from 19 April 2022)	

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The report, prepared in accordance with the Charities Act 2011, also constitutes a directors' report for the purposes of company legislation.

The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Executive Summary

2022-23 has been a year of reach and rebuilding for Headlong. With our sector vulnerable after the challenges of the past few years, we were proud to play a vital role connecting theatres, artists and audiences across the nation with high-quality, exhilarating theatre. After opening Chloe Moss's gripping *Corina, Corina* in Liverpool, we returned to national touring for the first time since the pandemic with a poignant revival of August Wilson's *Jitney* and Cordelia Lynn's dark adaptation of Shakespeare's *Henry V*. Meanwhile in London, we celebrated our return to the West End with the transfer of James Graham's award-winning *Best of Enemies*.

We reached 128,498 people in eight towns and cities across the UK during the year and were thrilled with critical and popular responses to our work on stage. People travelled from all four countries of the UK to see Headlong shows in London and further afield, while we received frequent 5- and 4-star reviews from major mastheads including *The Times*, *Telegraph*, *Financial Times*, *Evening Standard* and *Guardian*.

Offstage, we continued to demonstrate our commitment to nurturing the brightest artists, especially those working and living outside London. Our respected Headlong Origins artist development programme supported five early-career directors to level up their careers and our second Writer in Residence joined us in London for a year-long bespoke attachment. The networks we have built over many years of touring allowed us to reach and platform a large and diverse group of freelance artists and creative practitioners whose talents and dedication enriched all aspects of our work. We also worked with community groups and secondary schools in Leeds, Liverpool, London and Northampton to foster new relationships and connections and deepen dialogue between local cultural providers and diverse groups underrepresented in the arts.

Towards the end of the year, we were grateful to be notified by Arts Council England of our successful application to join their Transfer Programme. As a National Portfolio Organisation, this decision will secure our vital public subsidy as we take steps to move out of London in 2024 and confirm our identity as a truly national touring company.

Our work would not be possible without the dedication and generosity of so many. In 2022-23 we would like to thank our funders, including Arts Council England, the Backstage Trust and our family of individual donors; the many artists, creatives and practitioners who worked with us throughout the year; our theatre and venue partners across the country; the audiences who came to see our shows; and our brilliant, hardworking staff team.

2022-23 Key Achievements

- 295 performances reached 128,498 people in eight towns and cities across the UK;
- *Best of Enemies* transferred to the West End, the original production receiving two Olivier Award nominations and winning the Critics' Circle Theatre Award for Best New Play and the South Bank Sky Arts Award;
- We toured two shows nationally for the first time since the pandemic, with *Jitney* and *Henry V* delighting audiences and critics nationwide;
- We celebrated the third year of Headlong Origins, nurturing 5 early career directors working and living outside London to take a step up in their careers;
- We collaborated with 87 freelance artists, practitioners and creative professionals, and welcomed our second Writer in Residence;
- We published two new Justice Plans, for Women and LGBTQIAA+ communities, enshrining our commitment to equality, diversity and inclusion in all that we do.

"Jitney is precisely the sort of project that could save Britain's theatres. It's terrific to see a work of this calibre brought into London after originating in a regional theatre - the sort of supportive relationship that the non-London theatre scene desperately needs."

The Telegraph

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

WHO WE ARE AND WHAT WE DO

Led by Artistic Director Holly Race Roughan and Executive Director Lisa Maguire, Headlong is the UK's leading touring theatre company. For almost 50 years, we have been bringing artists, audiences and communities together to make and experience award-winning, exhilarating theatre.

We partner with theatres from Plymouth to York to champion local stories, inspire diverse audiences and sustain regional venues across the nation. Mid-scale, with national impact, we support underrepresented and early-career artists with accessible pathways into the industry, nurture the brightest writers to write their best plays, and bring communities together to co-create theatre that breaks down barriers and ignites important conversations. The role we play as the linchpin connecting theatres, artists and audiences across the nation with high-quality touring work is critical to the vitality and future of UK touring theatre.

Since 2016, over 1.6 million people of all ages and backgrounds have experienced a Headlong production on stage, screen and online. Our productions regularly receive 4- and 5-star critical acclaim, rapturous audience feedback and major Olivier and UK Theatre awards. Previous shows include the Olivier Award-winning *This House and Labour of Love*, the five-starred hits *Best of Enemies* and *People, Places & Things*, national tours of *Henry V*, *Junkyard* and *Jitney*, and major digital theatre innovations *Signal Fires* and *Unprecedented*. We are industry leaders in promoting sustainability, equality, diversity and inclusion and are proud to be acknowledged as a key/prescribed practitioner for A-Level Drama and Theatre studies.

Core Aims and Objectives

- To commission and programme new writing that ensures tomorrow's classics reflect the cultural richness of our country today, sustaining and supporting the UK's mid-scale new writing ecology;
- To deliver work with the highest quality production values, engaging audiences across the country with the questions of our time;
- To meaningfully collaborate with local communities and cultural organisations to improve wellbeing and broker local connections, leaving a legacy of stronger and more resilient localities;
- To connect these localities via professional touring, helping to cross-pollinate the nation's imagination;
- To explore environmental responsibility in form and content, creating replicable models for a sustainable touring industry and placing the climate crisis at the heart of public discourse;
- To nurture the next generation of regional artists through bespoke talent development programmes;
- To innovate and experiment with new models of making and distributing work to revitalise the contemporary touring landscape, better serve communities and reach new audiences.

"[Headlong] are a company who respond to the world around us with urgency and imagination whilst simultaneously nurturing artists of all experience so that they can creatively thrive. They are a truly vital artery in the body of UK theatre."

Justin Audibert, Headlong Board Member and Artistic Director, Chichester Festival Theatre

ACHIEVEMENTS AND PERFORMANCE

In April 2022, Lisa Maguire joined Headlong as Executive Director, taking over from Alan Stacey. She had previously been Executive Producer for nine years at National Theatre Wales. During the year we were lucky enough to welcome four new trustees to our Board, Paddy Dillon, Lucinda Harvey, Prime Isaac and Toni Racklin.

We also said goodbye to four of our dedicated trustees, Richard Huntruds, Nicky Jones, Maggie Whitlum, and after 13 years on the Board and three as Chair, Donna Munday, who announced she would be stepping down. After a competitive recruitment process led by our Nominations Committee, Kathy Bourne, Executive Director of Chichester Festival Theatre, was announced as Headlong's new Chair in June 2023.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Productions

Corrina, Corrina

17 May 2022 – 4 June 2022

Written by award-winning Liverpool-based playwright Chloe Moss (*Run, Sister, Run, Love Liverpool*) and directed by Headlong's Artistic Director Holly Race Roughan, this co-production with Liverpool Everyman probed gender and power dynamics in the maritime industry. A Headlong commission, it premiered in Liverpool to rave reviews and a sell-out run, including 5 stars from the Liverpool ECHO ("You won't see a better piece of theatre"), 4.5 stars from Arts City Liverpool, and 4 stars from The Stage, Times and Telegraph.

Jiltney

9 June 2022 – 6 August 2022

Tinuke Craig (*The Colour Purple*) directed this "beautifully realised" (The Guardian – 4 stars) revival of August Wilson's ground-breaking modern classic in a co-production with Leeds Playhouse and the Old Vic. Following its 2021 premiere in Leeds, it opened in London at the Old Vic before touring to Oldham Coliseum, Worthing Connaught Theatre, Bath Theatre Royal and Cambridge Arts Theatre. Critical acclaim included 4 stars from the Financial Times, Guardian, Times and Evening Standard ("a stunning, richly-textured piece of work").

Henry V

19 November 2022 – 18 March 2023

Launching Shakespeare's Globe's Winter Season, Cordelia Lynn's dark new adaptation of Shakespeare's Henry V opened in the Sam Wanamaker Playhouse, directed by Holly Race Roughan. A "thrilling revival" (The Telegraph, 4 stars), it toured to Leeds Playhouse, Worthing Connaught Theatre and the Royal & Derngate in Northampton, with glowing 4-star reviews from the Financial Times, Evening Standard, Daily Mail and Observer ("Extraordinary, intimate, intense...What a feat").

Best of Enemies (West End Transfer)

14 November 2022 – 18 February 2023

Following its sold-out, critically acclaimed run in 2021, our commission of James Graham's "dazzling" (Evening Standard – 5 stars) play about the political rivalry between William F Buckley Jnr and Gore Vidal transferred to the Noël Coward Theatre in the West End. A co-production with the Young Vic, with Second Half Productions, Eleanor Lloyd Productions and Wessex Grove, it was directed by former Headlong Artistic Director Jeremy Herrin. The transfer received rave 5-star reviews from The Times, Observer, Time Out, Sunday Times, Financial Times, Daily Mail and Evening Standard, while the original production won the 2022 Southbank Sky Arts Award for Best Theatre Production and Best New Play at Critics' Circle 2022 and was nominated for Best New Play at the Olivier Awards.

"We have worked with Headlong in a series of co-productions and collaborations since 2014. They are brilliant project partners; flexible, visionary and generous. I'd go so far as to say that they have become the indispensable company on the mid-scale touring circuit in recent years addressing a critical need for the highest quality work in venues across the UK."

James Brining, Artistic Director/Joint CEO, Leeds Playhouse

Audiences

By touring widely, we reduce geographic barriers to high-quality theatre, benefitting thousands of people every year by providing exceptional midscale theatre near where they live. In 2022-23, we reached 128,498 audience members in eight towns and cities across the UK, including in Bath, Cambridge, Leeds, Liverpool, London, Northampton, Oldham and Worthing.

Data for the period suggests that our national reach rivals that of much larger companies like the National Theatre and Royal Shakespeare Company, with audiences travelling from across the UK (including from Northern Ireland) to see our shows in both London and regional venues. Our productions attracted a culturally diverse audience, with double the average proportion of Kaleidoscope Creativity, when compared with typical theatre audiences, and reached deprived communities increasingly underrepresented amongst arts audiences, with 30% of bookers for Corrina, Corrina from communities ranked amongst the 20% most deprived.

Our digital reach also grew during the year, with a 7% increase in e-newsletter subscribers (to 16,000) and a steady 58,000 followers on social media (Twitter, Facebook, Instagram, Tik Tok and Vimeo).

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Community

As a touring company, we work in partnership with like-minded local cultural providers and grassroots organisations to support local venues to become civic spaces for their local communities, to add value to key education providers and schools and to nurture audiences for both Headlong and regional partners through co-creation. In 2022-23 we continued our work of embedding community activity into our artistic programme.

Corrina, Corrina

We collaborated with the Liverpool branch of Choir With No Name, a charity working with vulnerable adults who have experienced or are experiencing homelessness or have been ostracised by society. 35 members of the choir took part in two post-show performances, including a closing night celebration featuring a song members of the choir had composed and written for the show themselves. With a key storyline of the play concerning the exploitation of Southeast Asian communities, especially Filipino workers, in commercial shipping and a cast of 50% Filipino artists as well as a Filipino-heritage Assistant Director and Movement Director, we also ran a BESEA-led post-show discussion with Kanlungan, a Filipino and Southeast Asian charity, about the representation of BESEA identity in British Theatre and Filipino identity in *Corrina, Corrina*.

Jitney

During the *Jitney* run, we partnered with Kestrel Theatre Company, who work in the UK's criminal justice system to provide theatre and drama workshops in prisons. Inspired by the storyline of one of the play's central characters, we showcased four documentary short films created by Kestrel with award-winning filmmaker Dorothy Allen-Pickard, exploring the post-prison experiences of four ex-offenders and chaired a discussion with the men featured in the films. This probed the themes of *Jitney* and the impact of the arts on the criminal justice system and was attended by over 100 people. We also shared links to the films on our website throughout the tour so they could be accessed by audiences around the country.

Henry V

We worked with secondary school students in Leeds and Northampton to deepen their engagement with the themes of the play. A diverse group of 68 students from Key Stages 3, 4 and 5 at Ilkley Grammar School, Cockburn Laurence Calvert Academy and Northampton School for Boys took part in interactive creative workshops led by our Communities Associate Iskander R. Sharazuddin. Students responded enthusiastically to the play's themes of power and nationalism.

"It is rare to partner with a company who demonstrates so much care for how a work might resonate locally and who is committed to in-depth community engagement alongside their productions. It is through partnership with Headlong that regional theatres can attract new works by some of the most exciting and sought after voices in new writing. They're a company characterised by a steadfast commitment to ensuring theatre-goers, both new and established, have the opportunity to experience the best of British theatre."

Suba Das, Creative Director, Liverpool Everyman & Playhouse

Artist Development

In 2022-23, we continued to play a major role in future-proofing our industry by developing artists, especially those living and working outside London. The networks we have built over many years of touring allow us to reach the brightest local artists and offer them unparalleled access to professional opportunities on a national scale.

Origins

Our respected year-long Headlong Origins programme, funded by the Backstage Trust, continued in 2022-23, supporting five early-career regional directors to develop the skills, experience, relationships and ideas to realise their artistic ambitions and move forward in their careers. Anna Berentzen (Manchester), Callum Berridge (Sheffield), Sam Hardie (Edinburgh), Mandeep Kaur Glover (Leicester) and Emily Ling Williams (East Sussex) participated in masterclasses, workshops and practical work opportunities curated by project lead and mentor, Sarah Frankcom, an award-winning theatre director in her own right.

"The [Headlong Origins] programme has gone way over and beyond. There are no other opportunities like this anywhere else in the UK that provide such full care, love and support. It really has packed so much learning [and] support whilst celebrating me as an artist too."

Sam Hardie, Headlong Origins Artist, 2022-23

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Writer In Residence

Playwright and actor Charlie Josephine (*I, Joan, Bitch Boxer, BLUSH*) joined the company as Headlong's Writer in Residence for 2022/23. This scheme aims to nurture new voices and diversify the pool of exceptional early-career playwrights who are given the chance to be commissioned. Charlie joined us for a 12-month residency, during which they worked closely with the artistic and producing team on a new play. They also hosted an Introduction to Playwriting online workshop for 62 young playwrights from across the UK.

Commissions

As one of the major commissioners of new plays in the country, we are well-known for supporting playwrights at pivotal points in their careers. We currently have 11 writers under commission and scheduled to deliver a play within the next three years. During the year we offered each writer ongoing dramaturgical support and access to our dedicated Writer's Room and held four workshops for works-in-progress.

Justice: Equality, Diversity & Inclusion

In 2022-23, we produced and published our latest Justice Plans, focusing on Women and LGBTQIAA+ communities. These plans are designed to hold us to account as we work to be a future-facing company that truly represents the nation and creates change. Developed by our staff and Board in consultation with leading access organisations Milk Presents and Tonic Theatre, they join our Justice Plans for Race and Disability. All four Justice Plans have been published on our website.

We continued to hold weekly internal Justice meetings for all staff, to which Board members were regularly invited, and discussed progress to our goals at every Board meeting. We also used a Justice checklist to ensure our targets were embedded into our producing processes and debriefed after every production to assess how we had performed to our goals.

We continue to progress towards gender balance and full representation across all our work and among our staff and Board. Our Board at 31 March 2023 was 79% female, 21% male and 29% Global Majority. The Board, Finance and General Purposes and Nominations Committees are all chaired by women. Our diverse, female-led workforce was 50% Global Majority and we continued to use the Weston Jerwood Creative Bursaries Toolkit to ensure our recruitment processes were as inclusive as possible.

Since 2019, Headlong has achieved gender parity across all commissions, with at least one in four new works also written by an artist from the Global Majority. We maintained this industry-leading standard in 2022-23. Of the freelancers we worked with, 56% were female or non-binary, including directors, actors, stage managers, designers and writers, and 45% Global Majority. We also worked with 10 individuals who identified as disabled.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Financial review

As a proud National Portfolio Organisation, we are reliant on public funding to survive and work very hard to ensure every production achieves maximum impact and public benefit. In 2022-23 we made a successful application for renewed funding that addressed the strategic priorities of Arts Council England's 10-year strategy, Let's Create. As a result of this, we were invited to enter their Transfer Programme, a parallel investment programme developed following the Arts Council's comprehensive spending review in 2021. This achievement will safeguard the core public funding that is vital to our existence and confirm our identity as a truly national touring company, helping us to contribute even more to strengthening arts and investment opportunities outside London.

In 2022-23, we ended the year with a planned deficit of (£147,709) and carried forward reserves of £545,687 (2022: £693,396), £0 of which were restricted (2022: £142,549). Arts Council England funding of £692,302 (2022: £692,302) was received, comprising 60% of our total income (2022: 76%). This vital core funding supported all artistic and community activity and talent development. 27% was raised from production income, while a further 10% was raised from fundraising from Trusts, Foundations and Individual Donors. The remainder came from Theatre Tax Relief and Investment interest.

Our Finance Director continued to oversee, re-evaluate and refine the established systems we have in place, which provide checks and balances and an appropriate audit trail, while maintaining a high level of accuracy and efficiency. All bank transactions were subject to a two-person authorisation system and all budgets were supervised by individual internal budget-holders, with expenditure signed off by a second authoriser before being paid. At Board level, all financial papers were first checked by and discussed with the Financial and General Purposes Committee, before they were reported to the Board on a quarterly basis.

Reserves Policy

The trustees aim to maintain unrestricted reserves at a level that ensures sufficient reserves are available at any time to complete committed projects and administrative costs.

Headlong maintains three unrestricted designated funds, as follows:

- Contingency fund with a minimum of 3 months' operating costs held, as per industry best practice;
- Depreciation and maintenance fund of no less than £30,000;
- Touring and Freelancer Support Fund: We made a planned investment of reserves into our touring work in 2022/23 to support the post-pandemic recovery of our venue partners and freelance artists. This strategic investment will continue in 2023/24. The fund is expected to be wound down by 31 March 2026, leaving Headlong with an unrestricted funds balance which meets the reserves policy.

Of our total reserves of £545,687 at year end (2022: £693,396), £0 were restricted (2022: £142,548). The company wound down all restricted funds, which were in main being held due to time delays on activity caused by the pandemic, and which have now been resolved.

The Board has considered and discussed the ongoing impact of COVID-19 on the company's reserves policy and considers Headlong Theatre Limited a going concern.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Risk Management

The trustees have conducted a review of Headlong's activities and the major risks to which it is exposed. An established risk register is updated annually, and systems and procedures have been established to monitor and mitigate any risks identified in the register.

The report below includes the risks that the trustees deemed to be most significant to the company during 2022-23.

The main risks identified were:

- Force majeure (external risk). This risk was introduced following COVID-19 and the major impact it has had on the performing arts industry. The risk score is high and will likely remain so, dependent on the UK's overall recovery. Headlong will continue to monitor the situation and adapt accordingly.
- The reduction or axing of government arts funding. This risk was controlled and mitigated by making the strategic decision to take part in the Arts Council's Transfer Programme, by working to diversify income streams and deepen relationships with existing funders, planning for cuts and retaining a lean infrastructure.
- A significant drop in theatre revenue. This risk was controlled and mitigated by making a strategic investment from our reserves into increasing our number of co-productions, continuing to partner with venues capable of paying guarantees and by investing commercial income in regional artists and productions.

Fundraising

In 2022-23, we continued to nurture long-term relationships with individuals and trusts who understand and support our values and wish to support our work. We were successful in raising a total of £119,852 (2022: £171,404) of development income during the year, despite key staff turnover and temporary constraints on resourcing following the departure of Headlong's full-time Development Manager in June 2022.

In addition to vital core funding from Arts Council England, we received the second instalment of a two-year grant from the Backstage Trust in support of our Headlong Origins talent development programme, and unrestricted donations from our family of individual donors. We continued to take a highly targeted approach to soliciting donations and approached only those who expressed an explicit interest in the company, or who had been introduced by Board members or Headlong friends for that purpose.

Following the departure of our Development Manager, an interim freelance Development Manager was recruited on 2 days a week to maintain fundraising activity, overseen by Executive Director Lisa Maguire and supported by a freelance Development Consultant. During the year, the Development team also received advice from Board member Nicky Jones, an Independent Fundraising Consultant with extensive experience. Plans to recruit a full time Development Director were subsequently put in place.

As part of our commitment to good practice, we ensure that our fundraising activity is subject to statutory regulations and GDPR. We received no complaints during the year in relation to our fundraising activity.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

In February 2023 we announced our 2023-24 season, a dynamic programme of innovative new writing and reimagined classics that speak to our current social and political moment and will bring award-winning artists and bold new voices to audiences across the country:

A View from the Bridge

A revival of Arthur Miller's visceral and timeless masterpiece, to be directed by Holly Race Roughan, in a co-production with Octagon Theatre, Bolton, Chichester Festival Theatre and the Rose Theatre Kingston. This new production of Miller's tragic play will explore women's domestic labour, toxic masculinity and the contemporary migrant experience.

A Play for the Living in a Time of Extinction

A co-production with the Barbican, this daring one-woman show written by Miranda Rose Hall will open at the Barbican, directed by Katie Mitchell and starring Lydia West in her stage debut, before touring to Belgrade Theatre Coventry, Shakespeare North, New Vic Newcastle-under-Lyme, Theatre Royal Plymouth and York Theatre Royal. A bold experiment in eco theatre-making, local directors Ellie Taylor, Kay Michael, Mingyu Lin, Nyasha Gudo and Nathan Powell will bring the show to life in each venue with resident teams, eliminating the need for physical travel, while every performance will be powered by renewable bicycle technology.

untitled f**k m*ss s**gon play

The world premiere of Kimber Lee's award-winning play, to be co-produced with Royal Exchange Theatre, Factory International for Manchester International Festival and the Young Vic, directed by Roy Alexander Weise (*The Mountaintop, Nine Night*). Lee's sharply comic play explores identity and misrepresentation and won the International Award for The Bruntwood Prize for Playwriting in 2019.

Alongside our work on stage, we will continue our community and artist development activity. We plan to work with community and grassroots organisations local to performances while we are on tour. We will welcome our fourth cohort of Headlong Origins early-career directors and will continue commissioning and developing distinctive new writing from some of the UK's most exciting voices, with artists currently under commission including Johnny Flynn and Robert MacFarlane, Sami Ibrahim, Charlie Josephine (Headlong's Writer in Residence 2022-23), Eve Leigh, Laura Lomas, Cordelia Lynn, Morgan Lloyd Malcolm, Winsome Pincock, Joel Tan and Amanda Wilkin. We also look forward to Moi Tran joining us as a Designer in Residence for 2023 and recruiting our next Writer in Residence.

In 2023/24, we will also progress our Justice work, continuing to hold ourselves accountable to our targets and aiming to produce and publish our final two Justice Plans, for Climate and Socio-Economic.

Organisationally, we will plan for our transfer out of London in 2024, a move which will coincide with our 50th anniversary year and represent an exciting and significant step forward as we continue our work supporting artists, audiences and venues across the nation.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

Headlong Theatre Limited is a company limited by guarantee registered in England and Wales (number 1171757) and a charity registered with the Charity Commission in England and Wales (number 267965). Its governing document is its Memorandum and Articles of Association.

The company is based in London and has a permanent staff of six, led by an active and engaged volunteer Board of directors, who are charity trustees for the purposes of charity law.

Directors are recruited via an open and inclusive process led by the Board's Nomination Committee. Individuals are formally appointed by majority vote after being proposed by another member of the Board at a Board meeting. On appointment, new trustees are given a Board induction pack which provides information on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, decision-making processes, Headlong's financial position and the business plan. Trustees are also supplied with a copy of the company's Memorandum and Articles of Association. All trustees are offered training appropriate to their roles on the Board.

The Board meets quarterly to receive artistic, organisational and Justice reports from senior leadership and review management accounts and annual budgets. A Finance and General Purposes Committee, made up of five trustees, also meets quarterly prior to each Board meeting to scrutinise the management accounts and cash flow, manage the organisational risk register and review day-to-day management. Trustees devolve responsibility for the running of the charity to the key management personnel and joint Chief Executives, Artistic Director Holly Race Roughan and Executive Director Lisa Maguire.

Headlong is committed to employing staff who are amongst the best and most ambitious employees in the sector. As such, we set our rates of pay competitively with other subsidised theatre buildings and touring companies. The remuneration of each of our key management personnel is agreed by the Finance and General Purposes Committee of the Board and is determined by the seniority, experience and skills of the staff member.

The Trustees, who are also the directors for the purpose of company law, who served during the year and up to the date of signature of the financial statements were:

J Audibert	(Appointed 12 April 2022 and resigned 5 December 2023)
A Cornelius	(Appointed 4 June 2023)
K Dickens	(Appointed 13 June 2023)
P Dillon	(Appointed 6 December 2022)
S Ellis	
L Harvey	(Appointed 6 December 2022)
J Head	(Appointed 21 April 2022)
C Heaney	(Appointed 14 June 2023)
R Huntrods	(Resigned 6 December 2022)
J Hurt	
P Isaac	(Appointed 25 January 2023)
N Jones	(Resigned 14 June 2023)
L Lambley	
D Munday	(Resigned 14 June 2023)
M Phillips	
T Racklin	(Appointed 6 December 2022)
L Wan	
M Whittum	(Resigned 1 November 2022)

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Statement of Report of the Trustees responsibilities

The trustees (who are also the directors of Headlong Theatre Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP FRS 102;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
- and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Report of the Trustees report was approved by the Board of Trustees on 14 December 2023 and signed its behalf by:


K. Dickens
Trustee

14 December 2023

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HEADLONG THEATRE LIMITED

Opinion

We have audited the financial statements of Headlong Theatre Limited (the "Charitable Company") for the year ended 31 March 2022 which comprise and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Report of 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 other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Report of the Trustees report has been prepared in accordance with applicable legal requirements.

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HEADLONG THEATRE LIMITED

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 directors' report included within the Report of 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 Report of the Trustees report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Report of the Trustees responsibilities, the Trustees, who are also the directors of the Charitable Company for the purpose 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.

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.

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

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HEADLONG THEATRE LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Azets Audit Services

John Howard (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

14 December 2023

Chartered Accountants
Statutory Auditor

2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

HEADLONG THEATRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	732,154	80,000	812,154	759,072	104,372	863,444
Charitable activities	4	337,303	-	337,303	28,018	-	28,018
Investments	5	1,814	-	1,814	1,236	-	1,236
Total income		1,071,271	80,000	1,151,271	788,326	104,372	892,698
Expenditure on:							
Charitable activities	6	1,076,431	222,549	1,298,980	815,606	77,588	893,194
Gross transfers between funds		-	-	-	4,372	(4,372)	-
Net expenditure for the year/							
Net movement in funds		(5,160)	(142,549)	(147,709)	(22,908)	22,412	(496)
Fund balances at 1 April 2022		550,847	142,549	693,396	573,756	120,136	693,892
Fund balances at 31 March 2023		545,687	-	545,687	550,848	142,548	693,396

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HEADLONG THEATRE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	10		3,236		3,753
Investments	11		1		1
			<u>3,237</u>		<u>3,754</u>
Current assets					
Debtors	12	500,095		116,783	
Cash at bank and in hand		405,811		687,968	
		<u>905,906</u>		<u>804,749</u>	
Creditors: amounts falling due within one year	13	(363,456)		(115,107)	
Net current assets			<u>542,450</u>		<u>689,642</u>
Total assets less current liabilities			<u>545,687</u>		<u>693,396</u>
Income funds					
Restricted funds	14		-		142,548
Unrestricted funds			<u>545,687</u>		<u>550,848</u>
			<u>545,687</u>		<u>693,396</u>

The financial statements were approved by the Trustees on 14 December 2023


K Dickens
Trustee

Company registration number 01171757

HEADLONG THEATRE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	19		(282,929)		(21,348)
Investing activities					
Purchase of tangible fixed assets		(1,040)		(3,931)	
Investment income received		1,814		1,236	
Net cash generated from/(used in) investing activities			774		(2,695)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(282,155)		(24,043)
Cash and cash equivalents at beginning of year			687,966		712,009
Cash and cash equivalents at end of year			405,811		687,966

HEADLONG THEATRE LIMITED

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

1 Accounting policies

Charity Information

Headlong Theatre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 207 3rd Floor, Waterloo Road, London, SE1 8XD, England.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; the Companies Act 2006; and the requirements of the Statement of Recognised Practice, Accounting and Reporting by Charities (effective 1 January 2015). The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the Charitable Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the entity has adequate resources to continue in operational existence for the foreseeable future. The trustees continue to take all available steps to maintain sufficient resources in order for the Theatre can continue and, based on projections and available information, have a reasonable expectation that the theatre will have sufficient funds to continue to meet its liabilities as they fall due for the foreseeable future and therefore had prepared the financial statements on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; the Companies Act 2006; and the requirements of the Statement of Recognised Practice, Accounting and Reporting by Charities (effective 1 January 2015). The financial statements have been prepared under the historical cost convention.

Cash donations are recognised on receipt. Other donations are recognised once the Charitable Company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations and legacies including core grants, sponsorship and gifts are included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Cost of raising funds are those costs incurred in attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the staging of its projects and performances. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

Allocation and apportionment of costs governance costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs, administrative office function costs, depreciation, HR and recruitment, and premises costs. They are incurred directly in support of expenditure on the objects of the charitable company.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination fees, fees.

Support and Governance costs have been 100% allocated to the charitable activity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	Over 4 years
Fixtures and fittings	Over 4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the Charitable Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The Charitable Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the entities balance sheet when the Charitable Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charitable Company's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charitable Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Legal Status

The charitable company is a company limited by guarantee. The Memorandum of Association restricts the liability of members on winding up to £1 unless their liability becomes unlimited through contravention of the Memorandum. In the case of winding up none of the accumulated funds are distributed to the members but shall be given or transferred to some other charitable institution having similar objectives.

1.14 Public Benefit

The charitable company meets the definition of a public benefit entity under FRS 102.

1.15 Fund accounting

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

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

2 Critical accounting estimates and judgements

In the application of the charities accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Trust funding and donations	39,852	80,000	119,852	66,770	104,372	171,142
Grants - Art Council England	692,302	-	692,302	692,302	-	692,302
	<u>732,154</u>	<u>80,000</u>	<u>812,154</u>	<u>759,072</u>	<u>104,372</u>	<u>863,444</u>

4 Charitable activities

	Operation of touring theatre 2023 £	Operation of touring theatre 2022 £
Ancillary trading income	308,403	27,981
Other income	18,092	37
Royalty income	10,808	-
	<u>337,303</u>	<u>28,018</u>

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	<u>1,814</u>	<u>1,236</u>

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities

	Operation of Touring Theatre 2023 £	Operation of Touring Theatre 2022 £
Operation of Touring Theatre	807,773	430,917
Share of support costs (see note 7)	477,236	438,189
Share of governance costs (see note 7)	13,971	24,088
	<u>1,298,980</u>	<u>893,194</u>
Analysis by fund		
Unrestricted funds - general	1,076,431	815,606
Restricted funds	222,549	77,588
	<u>1,298,980</u>	<u>893,194</u>

All costs are allocated between the expenditure categories noted above on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, for example, time spent, per capita or floor area.

7 Support costs

	Support costs £	Governance costs £	2023 Support costs £	Governance costs £	2022 £
Staff costs	368,930	-	368,930	389,859	389,859
Depreciation	1,557	-	1,557	2,584	2,584
Computer Expenses	12,723	-	12,723	9,683	9,683
Marketing costs	69,726	-	69,726	16,820	16,820
Office expenses	24,300	-	24,300	19,243	19,243
Audit fees and other services	-	9,746	9,746	-	9,825
Legal and professional	-	4,147	4,147	-	13,794
Board Expenses	-	78	78	-	469
	<u>477,236</u>	<u>13,971</u>	<u>491,207</u>	<u>438,189</u>	<u>462,277</u>
Analysed between Charitable activities	<u>477,236</u>	<u>13,971</u>	<u>491,207</u>	<u>438,189</u>	<u>462,277</u>

Governance costs includes payments to the auditors of £8,200 (2022: £6,750) for audit fees.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Trustees Remuneration

None of the Trustees received any remuneration or benefits during the year (2022: none).

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	8	10

Employment costs

	2023 £	2022 £
Wages and salaries	368,930	389,859

The number of employees whose annual remuneration was more than £60,000 is as follows:

2023 Number	2022 Number
2	1

The key management of the charity comprise the trustees, the Artistic Director and the Executive Director. The total employee benefits of the key management personnel of the charity were £142,140 (2022: £124,093).

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2022	57,893	14,821	72,714
Additions	1,040	-	1,040
Disposals	-	(12,720)	(12,720)
At 31 March 2023	58,933	2,101	61,034
Depreciation and impairment			
At 1 April 2022	56,119	12,842	68,961
Depreciation charged in the year	1,078	479	1,557
Eliminated in respect of disposals	-	(12,720)	(12,720)
At 31 March 2023	57,197	601	57,798
Carrying amount			
At 31 March 2023	1,736	1,500	3,236
At 31 March 2022	1,774	1,979	3,753

11 Fixed asset investments

	Unlisted Investments £
Cost or valuation	
At 1 April 2022 & 31 March 2023	1
Carrying amount	
At 31 March 2023	1
At 31 March 2022	1

The investment is for 100% of the share capital of Headlong Commercial Limited (registered company number 09276083), a private company limited by shares. The entity is currently dormant.

There were no fixed asset investments outside of the UK.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	316,934	18,363
Other debtors	33,191	36,023
Prepayments and accrued income	149,970	62,397
	<u>500,095</u>	<u>116,783</u>

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	13,361	849
Trade creditors	178,614	75,758
Other creditors	33,775	14,786
Accruals and deferred income	137,706	23,714
	<u>363,456</u>	<u>115,107</u>

Deferred Income represents production income deferred when the production income deferred when the production is scheduled to occur in the following financial year:

	2022	2021
	£	£
Balance b/fwd	-	23,725
Income Released in the year	-	(23,725)
Income Deferred in year	-	-
	<u>-</u>	<u>-</u>
Balance c/fwd at 31 March 2022	-	-

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2021 £	Movement in funds		Transfers	Balance at 1 April 2022 £	Movement in funds		Balance at 31 March 2023 £
		Incoming resources £	Resources expended £	£		Incoming resources £	Resources expended £	
Headlong Futures	9,952	-	(8,000)	-	1,952	-	(1,952)	-
Headlong Origins	82,202	80,000	(35,315)	-	126,887	80,000	(206,887)	-
New Commissions	27,982	20,000	(34,272)	-	13,710	-	(13,710)	-
After Life	-	4,372	-	(4,372)	-	-	-	-
	<u>120,136</u>	<u>104,372</u>	<u>(77,587)</u>	<u>(4,372)</u>	<u>142,549</u>	<u>80,000</u>	<u>(222,549)</u>	<u>-</u>

All restricted funds have been expended in FY 2022/23. Headlong Origins has been funded again by the Backstage Trust in 2023/24, but all related expenditure is expected in-year.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021 £	Movement in funds		Transfers £	Balance at 1 April 2022 £	Movement in funds		Balance at 31 March 2023 £
		Incoming resources £	Resources expended £			Incoming resources £	Resources expended £	
Depreciation and maintenance fund	56,793	-	(15,668)	-	41,125	-	-	41,125
Contingency fund	261,246	-	-	-	261,246	-	-	261,246
Artist Development and Support	50,000	-	(50,000)	-	-	-	-	-
Touring & Freelancer Support	205,717	778,282	(739,895)	4,372	248,476	1,071,271	(1,076,431)	243,316
	573,756	778,282	(805,563)	4,372	550,847	1,071,271	(1,076,431)	545,687

1) Depreciation and Maintenance Fund. The balance of this fund is intended to be no less than £30,000, and which is designated and set at a level sufficient to finance the future depreciation costs, as forecast, of currently held theatre and office equipment and to cover maintenance of a cyclical nature to the company's premises and equipment, repair costs which exceed ongoing budgetary allocations for this purpose, and improvements to the company's facilities. The Directors believe that a fund totalling £30,000 will be adequate for this purpose and intend to replenish it as funds are drawn down.

2) Contingency Fund. The balance of this fund is intended to be no less than £246,000. The purpose of this fund is to:

- increase the Company's cashflow and enable it to be a prompt payer
- free the Company from reliance on bank overdraft or other debt financing for its working capital
- enable the Company to survive the insolvency of one or more of its principal debtors
- protect the Company from the effects of significant, unforeseeable one-off shortfalls in anticipated income
- cushion the financial consequences of unforeseeable major incidents or adverse conditions affecting the Company, its touring or its premises allow the Company to assume greater commercial risk in undertaking more diverse, challenging and innovative work.

3) Touring and Freelancer Support. Fund set up in 2021 to mitigate the impact of COVID-19 on the cash flow of regional venues and on freelancers, we allocated the balance of our undesignated unrestricted reserves to a designated Touring & Freelancer Support Fund. We expect this fund to naturally be wound down by March 2026, as we invest these funds into our artistic and outreach projects in this period, as authorised by our Trustees.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	3,236	-	3,236	3,753	-	3,753
Investments	1	-	1	1	-	1
Current assets/(liabilities)	542,450	-	542,450	480,984	208,658	689,642
	<u>545,687</u>	<u>-</u>	<u>545,687</u>	<u>484,738</u>	<u>208,658</u>	<u>693,396</u>

17 Operating lease commitments

At the reporting end date the Charitable Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	39,726	39,987
Between two and five years	9,888	73,534
	<u>49,614</u>	<u>113,521</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2022: none).

19 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(147,709)	(496)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,814)	(1,236)
Amortisation and impairment of intangible assets	1,557	2,584
Movements in working capital:		
(Increase)/decrease in debtors	(383,312)	54,922
Increase/(decrease) in creditors	248,349	(77,122)
Cash absorbed by operations	<u>(282,929)</u>	<u>(21,348)</u>

HEADLONG THEATRE LIMITED

England & Wales - Charity number 267965

Accounts

Charity registration number 267965

Company registration number 01171757 (England and Wales)

HEADLONG THEATRE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

HEADLONG THEATRE LIMITED

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HEADLONG THEATRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Audibert (Appointed 30th November 2021) J Bennett (Deceased 11th January 2022) C Donald S Ellis J Head (Appointed 21st April 2022) R Huntrods J Hurt N Jones L Lambley D Munday T Phillips L Wan M Whitlum
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Charity number	267965
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Company number	01171757
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Registered office	3rd Floor 207 Waterloo Road London England SE1 8XD
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Auditor	Azets Audit Services 2nd Floor Regis House 45 King William Street London EC4R 9AN
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Bankers	HSBC plc 65 Cornmarket Street Oxford OX1 3HY
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Key Management Personnel:

Artistic Director/Chief Executive	H Race Roughan (from 23rd August 2021)
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Executive Director/Chief Executive	L Maguire (from 19th April 2022)
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HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Headlong is one of the most ambitious and exciting theatre companies in the world, creating exhilarating contemporary theatre: a provocative mix of innovative new writing, reimagined classics and influential twentieth century plays that illuminate our world. We make bold, groundbreaking productions with some of the UK's finest artists. We take these industry leading, award-winning shows around the country and beyond, in theatres and online, attracting new audiences of all ages and backgrounds. We engage as deeply as we can with these communities and this helps us become better at what we do. Headlong is constantly evolving to inspire audiences with exhilarating ideas and performances.

Over the past few years, including during the COVID-19 pandemic, Headlong's productions have enjoyed incredible success among critics and audiences alike, and over one and a half million people have seen our productions on stage and screen. We have successfully built Headlong's brand with programmers worldwide, renewing partnerships with venues across the UK and establishing strong links with partners throughout Europe, Australia and the USA.

Despite the impact of the pandemic on turnover, Headlong's status as one of the biggest and most successful producers on the subsidised touring theatre circuit continues, consistently achieving significant audience attendance and critical acclaim for our work.

ACHIEVEMENTS AND PERFORMANCE

It has been a year of leadership change for Headlong; August 2021 saw the appointment of Headlong's former Associate Artistic Director, Holly Race Roughan, as the first female Artistic Director of the company. This was followed in the autumn with the announcement that Alan Stacey would be stepping down as Executive Director in spring 2022, after 6 years at Headlong. Following this news, the Board of Trustees led a rigorous recruitment process resulting in the appointment of Lisa Maguire as Headlong's new Executive Director. Lisa will officially start in April 2022, at which point she and Holly will be named joint Chief Executives.

The COVID-19 pandemic continued to impact Headlong and the industry at large, with theatres unable to open until spring 2021 with reduced capacity due to social distancing rules. The Government's Culture Recovery Fund and Coronavirus Job Retention Scheme still provided a much needed safety net for the industry. Headlong made the decision not to apply for funding from the extended CRF scheme due to the strong reserves position held by the company.

The impact of COVID-19 is reflected in each section of the following report, which focuses on Headlong's activities during the pandemic and beyond as the country began to make a recovery.

Despite the challenging circumstances and ongoing impact of COVID-19, 2021/2022 saw Headlong's dynamic team produce an exciting line up of shows that had been postponed due to the pandemic. The company had the honour of re-opening the Dorfman Theatre at the National Theatre with an adaptation of Hirokazu Kore-eda's Japanese classic *After Life*. This timely meditation on the moments we hold most dear was produced in remarkable circumstances, with fully socially distanced rehearsals, performances and audiences. 2021/2022 also saw the rebirth of Headlong's postponed production of August Wilson's *Jitney* at Leeds Playhouse, followed by the company's production of *Best of Enemies* at the Young Vic at the end of 2021. This new play by James Graham explored the origin of political polarisation.

Although Headlong produced work in far fewer regional theatres in 2021/2022 than in a normal year, the period did see the company produce two major commissions of new writing in the most challenging of circumstances. In addition to this, both *Jitney* and *Best of Enemies* will have a future life in 2022/2023.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2021/2022 also saw the successful continuation of Headlong Origins, our artist development scheme. This scheme aims to celebrate, support and diversify our pool of artists and theatre makers across the UK, outside London. This year has seen the first cohort of emerging directors complete their delayed R&D sessions, whilst the second cohort have attended workshops and masterclasses led by Headlong's artistic team and guest artists. Origins is now entering the fourth year and has been an unmitigated success for both the artists and the company.

Partnerships

Working with co-producers, venues and partners continues to be a central focus in our business model. Over the past few years we have actively co-commissioned and partnered with regional theatres to present work, rather than just touring to receiving houses, ensuring that our partners have a significant creative and producing stake in the performances we take there, and being able to tailor our work more specifically to the local audiences.

In 2021/2022 we partnered with the National Theatre, Leeds Playhouse and the Young Vic to bring Headlong productions to audiences. *After Life* (Dorfman Theatre), *Jitney* (Leeds Playhouse) and *Best of Enemies* (Young Vic) were all postponed due to the pandemic, and to finally be able to bring these shows to the stage was a great achievement. We continue to build relationships with these venues and look forward to working with them in the future.

We have a range of important and effective partnerships in both the subsidised and commercial theatre sectors. In the subsidised sector our most important relationships are with regional theatres in England. Leeds Playhouse, Liverpool Everyman and Playhouse, Bristol Old Vic and Chichester Festival Theatre in particular stand out as past and current collaborators whose financial backing and appreciation of artistic risk have made shows possible for Headlong. We have used these solid relationships to develop both Headlong Futures, our ambitious outreach programme that seeks to build engagement between individuals from different backgrounds and communities and the arts, and Headlong Origins, an artist development programme that targets and nurtures talented theatre makers from outside of London.

Our relationships in the commercial sector are equally strong and have been crucial in raising brand awareness. Previous shows from the last few years such as *1984*, *The Nether*, *People, Places and Things*, *This House* and *Labour of Love* were presented in the West End in partnership with some of the most influential companies in the industry, including Sonia Friedman Productions, National Theatre Productions, Nica Burns Productions, Neal Street Productions and Michael Grandage Company. Four of the five shows have made a profit that we have then been able to re-invest into our work.

Following these commercial successes, we look forward to opening our Young Vic co-production of *Best of Enemies* in the West End in autumn 2022, working in partnership for the first time with Second Half Productions, Eleanor Lloyd Productions and Wessex Grove to bring this critically acclaimed play to wider audiences.

Supporting Artists

Headlong continues to be one of the major commissioners of new work in the country. Each commissioned writer is given specialist support by our Artistic Director and our Creative Associates. Headlong has a commitment to identifying talent, and then helping those talented writers get to the next level in their career.

The relationships with some of our earlier career writers centre on exploring who they are as writers and supporting them in telling the stories they want to tell, and over the past two years Headlong has built on its commitment to gender equality in its four commissions a year, with a commitment that one of those four commissioned writers will be of Global Majority. This has resulted in commissions for Joel Tan, Amanda Wilkin, Nathaniel Martello-White, Winsome Pinnock and more.

2021/2022 saw the first year of Headlong's new Writer in Residence scheme; this new role embeds a freelance artist into the organisation for a year with a particular focus on working alongside our Justice Group. The role in 2021/2022 was filled by Amanda Wilkin, and came with a full commission to write a major new play about the climate crisis. 2022/2023 has already seen us appoint a second Writer in Residence, Charlie Josephine, to continue this strategy of bringing an artist into the heart of our Justice work as we become a leading commissioner of bold new work on the subject.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Alongside this Headlong continues to offer our commissioned playwrights the use of the company's Writer's Room, a physical space where they can work on their plays. This room is not only for our writers to have a dedicated space where they can work, but also to facilitate closer ties between writers and Headlong staff.

The first two years of our Headlong Origins scheme have been a resounding success; made possible by generous support from Backstage Trust, throughout the pandemic we hosted online workshops, mentoring sessions and meetings for the emerging directors, with these sessions being run in-person again during 2021/2022. The new group of artists have also participated in workshops and masterclasses, curated by Headlong's Creative Associates and producers. In 2021/2022 all 6 directors from the first intake group had the opportunity to hold Research & Development weeks to develop their ideas and project proposals, which were delayed from the previous year due to the pandemic.

Going forward this programme will continue to encourage collaboration between artists, which will feed into our future commissioning and programming.

Justice: Equality, Diversity & Inclusion

Our current business plan 2018-2023 fully embeds diversity and equality within all strands of the company. Over the past five years or so, Headlong has committed to making sure inclusivity is at the forefront of all its activity and we strive to ensure we reflect the diversity of contemporary England through actor representation, commissioning, creative teams, participants, audiences and our staff and board recruitment. Most recently, this has culminated in the development of six 'Justice Plans' for Race, Disability, Socio-economic, LGBTQIAA+, Women and Climate. Our 'Justice Plan – Race' and 'Justice Plan – Disability' have been published, and we expect all the remaining plans to be published in 2022/2023.

In order to develop these plans, Headlong has a weekly Justice Group meeting to which all staff members are invited. Furthermore, Headlong's Board is integrated into the process with attendees of the Justice Group contributing to Board meetings and trustees attending Justice Group meetings on a regular basis. This work is intended to make sure equality, diversity and inclusion is central to artistic planning, producing and all the other facets of the company.

We continue to progress towards gender balance and full representation across our artistic output and amongst our staff and Board. Our board is now 75% female, 25% male, with 25% Global Majority. The full board as well as the Finance & General Purposes (F&GP) and Nominations Committees are chaired by women, and the Nominations committee continues to work on our Board diversification strategy. At the end of 2021/2022 our staff was 73% female, 27% Global Majority, and 18% identifying as disabled.

We remain a member of Tonic's Advanced Network, and throughout this last year our staff have continued to attend the regular training sessions and networking opportunities this platform provides, discussing equality, diversity and inclusion with our peers from around the country. We engaged further with Tonic regarding inclusive recruitment practices, ensuring our processes are non-discriminatory and encourage a wide range of applicants. This was particularly effective during recruitment for a new Artistic Director and Executive Director.

Headlong remains committed to gender parity in our commissions, with a 50/50 split between men and women. Of the freelancers we engaged with in 2021/2022, 55% identified as female including directors, actors, stage managers, designers and writers. We have also worked with 12 individuals who identified as disabled.

We have continued to successfully operate robust data gathering with Equal Opportunities Forms, through which we can monitor the diversity amongst our staff and board members, and within our contracted casts, commissioned playwrights and creative teams.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Digital reach

In 2020/2021 *Unprecedented* and *The Ghost Caller* cemented Headlong's reputation as a digital pioneer, a reputation built on the back of 14 films for the Guardian exploring our exit from the European Union in 2017 and 2019.

In 2021/2022 we further developed our digital work and partnerships; on *After Life* at the National Theatre, we worked with Coney again to create a game that asked audiences the question at the heart of Kore-eda's film and Jack Thorne's adaptation – 'What is the moment in which you could endure eternity?' And for *Best of Enemies* at the Young Vic we worked with their team on 'Best Seat in Your House' an innovative new way to stream live theatre using immersive, multi-camera broadcast designed to give audiences optimal choice as they watch a live show.

In autumn 2021 we collaborated with TikTok and Theatre Centre to create *TikTok Shocks*, a cutting edge digital artist-development scheme for regionally based 18-25 year olds. As well as supporting a new generation of theatre makers, this project also broke ground on pushing the boundaries of digital theatre. *TikTok Shocks* acted as a pilot programme for Headlong to explore the possibility of a nationwide Digital Young Company, skilling up the next generation of artists in multi-media theatre making.

The past year has demonstrated our capacity not only for digital exploration but to explore the shifting social and cultural sands of Britain. In terms of digital art, we are at the forefront of developments in the form, with millions of people across the country engaging and delighting in the work.

We have been successful in the growth of followers and subscribers across our digital platforms with over 15,000 subscribed to our newsletter email database and over 58,000 following Headlong across Twitter, Facebook, Instagram, Vimeo and via our website.

We have continued to support 100% of our productions with digital resources, producing trailers for each show and filming other content such as interviews, audience vox pops and behind the scenes footage, which is shared on social media and with our partners to engage audiences with our work.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Financial sustainability

2021/2022 saw Headlong bring forward a healthy reserve figure of £693,892, comprising restricted and unrestricted funds. Despite the global difficulties of the previous year, Headlong began 2021/2022 with its first move towards pre-pandemic activity levels, with a successful co-production with the National Theatre. We ended the financial year with a small deficit, and carried forward reserves of £693,396, £142,548 of which were restricted, and the balance were unrestricted funds, which have been designated as follows: Depreciation, Maintenance & Contingency funds of £302,372, and a Touring & Freelancer Support fund of £248,476. The latter fund has planned investment allocated to it for the next 3 years, resulting in its wind down by 31st March 2026, leaving the company with an unrestricted funds balance which meets our reserves policy for designated Depreciation, Maintenance & Contingency funds. The fluctuating nature of touring, and the impact of the pandemic on regional venues contributed to a budgeted show not going ahead as planned, however the company committed to paying the freelancers who had been earmarked for the project, as approved by our Board, and in line with our goal to support the freelance community where possible.

In light of the continued challenges and uncertainty of producing and touring work in the aftermath of the pandemic, and with the organisation appointing a new Artistic Director and Executive Director, we started the year with a budgeted fundraising target of £190,000 for the 2021/2022 financial year, which was then adjusted to £180,000. We raised a total of £169,774 in the 2021/2022 financial year, achieving 94% of target.

Of that fundraised figure, we received £100,000 from Trusts and Foundations, £58,110 from Individual Donors and a projected £11,664 in Gift Aid. This year we welcomed back supporters in person to our shows and fundraising events. We also continued to cultivate new relationships through individual meetings, continuing to expand and engage our network of prospective donors with our work.

Arts Council England continued to be a vital funder of Headlong's work through their National Portfolio Programme. This funding is guaranteed until March 2023 and the company has applied for further funding in the next funding cycle.

Regarding overall financial monitoring, our Finance Manager continues to oversee, re-evaluate and refine the systems in place, which provide checks and balances and an appropriate audit trail, while maintaining a high level of accuracy and efficiency. All bank transactions require a two-person authorisation system, and all budgets are supervised by individual internal budget-holders and expenditure is signed off by a second authoriser before being paid. All Board-level financial papers are first checked by and discussed with the Financial & General Purposes Committee, before they are then reported to the Board on a quarterly basis.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Reserves Policy

The company aims to manage the funds and grants that it receives to ensure that, at any time, sufficient reserves are available to ensure that committed projects are completed, and committed administrative costs are covered. The Board has considered and discussed the ongoing impact of COVID-19 on the company's reserves policy, and considers Headlong Theatre Limited a going concern. As our reserves are in a healthy position, the company feels it is in a position to help support some of our colleagues and partners during this difficult time. With this in mind, the trustees consider that for an artistically-led company of this scale it is appropriate to carry reserves structured as follows:

- A depreciation and maintenance fund of no less than £30,000.
- A contingency fund of 5 months operating costs, which the Board deems to be appropriate for a company of Headlong's scale and turnover.
- To mitigate the impact of COVID-19 on the cash flow of regional venues and on freelancers, we allocated the balance of our undesignated unrestricted reserves to a designated Touring & Freelancer Support Fund.

Risk Management

The trustees have carried out a review of the company's activities and produced a risk register setting out the risks to which it is exposed. The company's risk management strategy comprises:

- An annual review of the risks which the company may face
- The establishment of systems and procedures to mitigate those risks identified in the register

The report below features the risks that the trustees deemed to be the most significant to the company throughout the course of 2021/2022.

Among the main risks identified at present are the following:

1. Force majeure (external risk). This risk was introduced in light of the pandemic and the impact it is having on the performing arts industry. The risk score is high; it will likely remain at this level and will be dependent on the UK's overall recovery. Headlong will continue to monitor the situation and adapt accordingly.
2. The reduction or axing of government arts funding. This risk is controlled and mitigated by diversifying income streams, planning for cuts, and retaining a lean infrastructure.
3. A significant drop in theatre revenue. This risk is controlled and mitigated by increasing our number of co-productions, partnering with venues capable of paying high guarantees and investing commercial income in regional artists and productions.
4. Co-production market changes adversely to Headlong. This risk is mitigated by the continuing development of relationships with co-producers and further diversifying income streams.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Fundraising

Despite uncertainty due to changes in Headlong's Executive Team during the 2021/2022 financial year and the ongoing unpredictability and challenges presented by COVID-19, Headlong's fundraising activities remained relatively stable for the financial year ending 31st March 2022. Headlong fundraised a total of £169,774 towards our target of £180,000, which represents 94% of target.

We continued our ongoing relationships with Backstage Trust, Cockayne – Grants for the Arts and the London Community Foundation and The John Ellerman Foundation who provided crucial multi-year support for Headlong Origins, *Best of Enemies* and our new commissions respectively. We had a very successful renewal campaign with the large majority of existing donors renewing their support this year raising £58,110 from individual donors.

For the first time since 2016, there has been staff turnover that affects Headlong's Fundraising Team, with the departure of Executive Director Alan Stacey in April 2022, and the departure of the Development Manager in summer 2022. Headlong's new Executive Director Lisa Maguire will continue to provide leadership and oversight on all fundraising activities. She will be supported by the part-time Fundraising Consultant and the newly appointed Interim Development Manager. Headlong continues to employ a highly targeted approach to soliciting donations; we only approach individuals who have explicitly expressed an interest in supporting the company or those who have been introduced to the company by board members or friends of the company for that purpose. It is therefore crucial for the company and the new members of the Development Team to maintain key relationships with existing funders and to build new relationships with prospective funders to ensure long term fundraising success. Nicky Jones, one of Headlong's Board members, is an independent Fundraising Consultant and former Campaign Director for Mountview Academy of Theatre Arts and former Head of Major Giving and Trusts at the RSC. Nicky helps to ensure that Headlong follows the best fundraising practices.

Headlong Theatre Limited is in full compliance with the rules and guidelines as prescribed by The Charities Act 2016 and Charities SORP and abides by the Code of Fundraising Practice as set out by the Fundraising Regulator. We have received no complaints regarding said fundraising activities.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE & MANAGEMENT

Headlong Theatre Limited is a company incorporated under the Companies Act, company number 1171757 and its governing document is its Memorandum and Articles of Association. The company is a registered charity, number 267965.

The company is based in London, and is funded by Arts Council England. It has a permanent staff of nine, and is led by a volunteer Board of Directors.

Directors of the company are recruited via an open process led by the Board's Nomination Committee. Individuals are then formally appointed after being proposed by another member of the Board by majority vote at a Board meeting. On appointment trustees are provided with a Board induction pack, which outlines the function of the Board, the company's financial position and future programme. Trustees are also supplied with a copy of the company's Memorandum and Articles of Association. Trustees are offered training appropriate to their roles on the Board.

Trustees devolve day-to-day responsibility for the running of the charity to the key management personnel.

The key management personnel comprise of the Chief Executive of the charity who ordinarily is also the Artistic Director, and the Executive Director. In 2020/2021 Alan Stacey was named Chief Executive when Artistic Director Jeremy Herrin left the company. Holly Race Roughan and Lisa Maguire became joint Chief Executives when Lisa took up the post of Executive Director in April 2022.

Headlong is committed to employing staff who are amongst the best and most ambitious employees in the sector. As such, we set our rates of pay competitively with other subsidised theatre buildings and touring companies. The remuneration of each of our key management personnel is agreed by the Finance and General Purpose Committee of the Board and is determined by the seniority, experience and skills of the staff member.

HEADLONG THEATRE LIMITED

STATEMENT OF REPORT OF THE TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Headlong Theatre Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP FRS 102;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 6th December 2022, and signed on its behalf by:



D Munday - Trustee

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HEADLONG THEATRE LIMITED

Opinion

We have audited the financial statements of Headlong Theatre Limited (the "Charitable Company") for the year ended 31 March 2022 which comprise and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2022 and of its incoming resources and application of resources, 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 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 Report of 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 '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 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 other than the financial statements and our auditor's report thereon. The are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF HEADLONG THEATRE LIMITED

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 directors' 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 directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the Trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees, who are also the directors of the charitable company for the purpose 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 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 are responsible for assessing the '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 either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE OF HEADLONG THEATRE LIMITED

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 auditors' 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.

Azets Audit Services

John Howard (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

16 December 2022
.....

Statutory Auditor

2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

HEADLONG THEATRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Income from:						
Donations and legacies	3	759,072	104,372	863,444	771,261	946,329
Charitable activities	4	28,018	-	28,018	145,100	145,100
Investments	5	1,236	-	1,236	2,355	2,355
Total income		788,326	104,372	892,698	175,068	1,093,784
Expenditure on:						
Charitable activities	6	815,606	77,588	893,194	202,012	1,009,881
Net (outgoing)/incoming resources before transfers		(27,280)	26,784	(496)	110,847	83,903
Gross transfers between funds		4,372	(4,372)	-	39,722	-
Net (expenditure)/income for the year/						
Net movement in funds		(22,908)	22,412	(496)	150,569	83,903
Fund balances at 1 April 2021		573,756	120,136	693,892	423,187	609,989
Fund balances at 31 March 2022		550,848	142,548	693,396	120,136	693,892

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

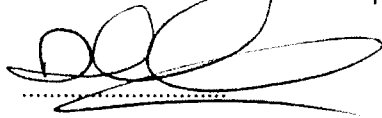
HEADLONG THEATRE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		3,753		2,406
Investments	11		1		1
			<u>3,754</u>		<u>2,407</u>
Current assets					
Debtors	12	116,783		171,705	
Cash at bank and in hand		687,966		712,009	
		<u>804,749</u>		<u>883,714</u>	
Creditors: amounts falling due within one year	13	(115,107)		(192,229)	
Net current assets			689,642		691,485
Total assets less current liabilities			<u>693,396</u>		<u>693,892</u>
Income funds					
Restricted funds	14		142,548		120,136
Unrestricted funds		550,848		573,756	
			<u>550,848</u>		<u>573,756</u>
			<u>693,396</u>		<u>693,892</u>

The financial statements were approved by the board of trustees on 6th December 2022.



D Munday - Trustee

Company Registration No. 01171757

HEADLONG THEATRE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	19		(21,348)		310,379
Investing activities					
Purchase of tangible fixed assets		(3,931)		(993)	
Investment income received		1,236		2,355	
Net cash (used in)/generated from investing activities			(2,695)		1,362
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(24,043)		311,741
Cash and cash equivalents at beginning of year			712,009		400,266
Cash and cash equivalents at end of year			687,966		712,009

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Headlong Theatre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 207 3rd Floor, Waterloo Road, London, SE1 8XD, England.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; the Companies Act 2006; and the requirements of the Statement of Recognised Practice, Accounting and Reporting by Charities (effective 1 January 2015). The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the entity has adequate resources to continue in operational existence for the foreseeable future. The trustees continue to take all available steps to maintain sufficient resources in order for the Theatre can continue and, based on projections and available information, have a reasonable expectation that the theatre will have sufficient funds to continue to meet its liabilities as they fall due for the foreseeable future and therefore had prepared the financial statements on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; the Companies Act 2006; and the requirements of the Statement of Recognised Practice, Accounting and Reporting by Charities (effective 1 January 2015). The financial statements have been prepared under the historical cost convention.

Cash donations are recognised on receipt. Other donations are recognised once the has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations and legacies including core grants, sponsorship and gifts are included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Cost of raising funds are those costs incurred in attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the staging of its projects and performances. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

Allocation and apportionment of costs governance costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs, administrative office function costs, depreciation, HR and recruitment, and premises costs. They are incurred directly in support of expenditure on the objects of the charitable company.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination fees. fees.

Support and Governance costs have been 100% allocated to the charitable activity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	Over 4 years
Fixtures and fittings	Over 4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the entities balance sheet when the becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the 's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Legal Status

The charitable company is a company limited by guarantee. The Memorandum of Association restricts the liability of members on winding up to £1 unless their liability becomes unlimited through contravention of the Memorandum. In the case of winding up none of the accumulated funds are distributed to the members but shall be given or transferred to some other charitable institution having similar objectives.

1.14 Public Benefit

The charitable company meets the definition of a public benefit entity under FRS 102.

1.15 Fund accounting

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

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

2 Critical accounting estimates and judgements

In the application of the charities accounting policies, the are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Trust funding and donations	66,770	104,372	171,142	78,959	92,500	171,459
Grants - Art Council England	692,302	-	692,302	692,302	-	692,302
BBC Funding	-	-	-	-	82,568	82,568
	<u>759,072</u>	<u>104,372</u>	<u>863,444</u>	<u>771,261</u>	<u>175,068</u>	<u>946,329</u>

4 Charitable activities

	Operation of touring theatre 2022 £	Operation of touring theatre 2021 £
Performance and workshop fees	27,981	75,488
Theatre Tax Relief	37	69,612
	<u>28,018</u>	<u>145,100</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	<u>1,236</u>	<u>2,355</u>

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Charitable activities

	Operation of Touring Theatre 2022 £	Operation of Touring Theatre 2021 £
Operation of Touring Theatre	430,917	518,216
Share of support costs (see note 7)	438,189	466,126
Share of governance costs (see note 7)	24,088	25,539
	<u>893,194</u>	<u>1,009,881</u>
Analysis by fund		
Unrestricted funds	815,606	807,869
Restricted funds	77,588	202,012
	<u>893,194</u>	<u>1,009,881</u>

All costs are allocated between the expenditure categories noted above on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, for example, time spent, per capita or floor area.

7 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Staff costs	389,859	-	389,859	454,078	454,078
Depreciation	2,584	-	2,584	2,689	2,689
Computer Expenses	9,683	-	9,683	9,209	9,209
Marketing costs	16,820	-	16,820	150	150
Office expenses	19,243	-	19,243	-	-
Audit fees and other services	-	9,825	9,825	-	12,287
Legal and professional	-	13,794	13,794	-	12,753
Board Expenses	-	469	469	-	499
	<u>438,189</u>	<u>24,088</u>	<u>462,277</u>	<u>466,126</u>	<u>491,665</u>
Analysed between Charitable activities	<u>438,189</u>	<u>24,088</u>	<u>462,277</u>	<u>466,126</u>	<u>491,665</u>

Governance costs includes payments to the auditors of £6,750 (2021 £6,250) for audit fees.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

8 Trustees Remuneration

None of the Trustees received any remuneration or benefits during the year

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	10	12

Employment costs

	2022 £	2021 £
Wages and salaries	389,859	454,078

The number of employees whose annual remuneration was £60,000 or more were:

2022 Number	2021 Number
1	2

The key management of the charity comprise of the trustee, the Artistic Director and the Executive Director.
The total employee benefits of the key management personnel of the charity were £124,093 (2021 £97,294)

10 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2021	56,569	12,214	68,783
Additions	1,324	2,607	3,931
At 31 March 2022	57,893	14,821	72,714
Depreciation and impairment			
At 1 April 2021	54,655	11,722	66,377
Depreciation charged in the year	1,464	1,120	2,584
At 31 March 2022	56,119	12,842	68,961
Carrying amount			
At 31 March 2022	1,774	1,979	3,753
At 31 March 2021	1,914	492	2,406

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

11 Fixed asset investments

	Shares in Group Undertakings £
Cost or valuation	
At 1 April 2021 & 31 March 2022	1
Carrying amount	
At 31 March 2022	1
At 31 March 2021	1

There were no investment assets outside the UK. This entity is current dormant
The investment is for 100% of the share capital of Headlong Commercial Limited (registered company number 09276083), a private company limited by share

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	18,363	17,137
Other debtors	36,023	51,360
Prepayments and accrued income	62,397	103,208
	116,783	171,705

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	849	3,125
Trade creditors	75,758	145,550
Other creditors	14,786	4,817
Accruals and deferred income	23,714	38,737
	<u>115,107</u>	<u>192,229</u>

Deferred Income represents production income deferred when the production income deferred when the production is scheduled to occur in the following financial year:

	2022 £	2021 £
Balance b/fwd	-	23,725
Income Released in the year	-	(23,725)
Income Deferred In year	-	-
	<u>-</u>	<u>-</u>
Balance c/fwd at 31 March 2022	<u>-</u>	<u>-</u>

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020 £	Movement in funds			Balance at 1 April 2021 £	Movement in funds			Transfers £	Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Headlong Futures	45,175	-	-	(35,223)	9,952	-	(8,000)	-	-	1,952
Headlong Origins	72,460	50,000	(40,258)	-	82,202	80,000	(35,315)	-	-	126,887
James Graham (Maastricht)	26,667	-	(26,667)	-	-	-	-	-	-	-
New Commissions	20,000	20,000	(7,519)	(4,499)	27,982	20,000	(34,272)	-	-	13,710
After Life	22,500	22,500	(45,000)	-	-	-	-	-	-	-
Unprecedented	-	82,568	(82,568)	-	-	4,372	-	(4,372)	-	-
	186,802	175,068	(202,012)	(39,722)	120,136	104,372	(77,588)	(4,372)	142,548	

Headlong Futures had no donations this year, nor in the previous year, and the balance continues to be spent.

Headlong Origins received grants in the year of £80,000 (2021: £50,000) from the Backstage Trust, and will continue into 22/23.

New Commissions received grants in the year of £20,000 (2021 - £20,000) from the John Ellerman Foundation, and will continue into 22/23.

The Unprecedented fund received income of £4,372 in the year, however the expenditure occurred in the previous financial year, and therefore the balance has been transferred to unrestricted funds.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

15 Designated and Unrestricted

	Balance at 1 April 2020 £	Movement in funds			Balance at 1 April 2021 £	Movement in funds			Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £	
Depreciation and Maintenance Fund	56,793	-	-	-	56,793	-	(15,668)	-	41,126
Contingency Fund	261,246	-	-	-	261,246	-	-	-	261,246
Creative fund	35,148	918,716	(787,872)	(165,964)	-	-	-	-	-
Artist Development and Support	70,000	-	(20,000)	-	50,000	-	(50,000)	-	-
Touring & Freelancer Support	-	-	-	205,717	205,717	778,282	(739,895)	4,372	248,476
	423,187	918,716	(807,872)	39,722	573,758	778,282	(805,562)	4,372	550,848

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

15 Designated and Unrestricted

(Continued)

1) Depreciation and Maintenance Fund. The balance of this fund is intended to be no less than £30,000, and which is designated and set at a level sufficient to finance the future depreciation costs, as forecast, of currently held theatre and office equipment and to cover maintenance of a cyclical nature to the company's premises and equipment, repair costs which exceed ongoing budgetary allocations for this purpose, and improvements to the company's facilities. The Directors believe that a fund totalling £30,000 will be adequate for this purpose and intend to replenish it as funds are drawn down.

2) Contingency Fund. The balance of this fund is intended to be no less than £246,000. The purpose of this fund is to:

- increase the Company's cashflow and enable it to be a prompt payer
- free the Company from reliance on bank overdraft or other debt financing for its working capital
- enable the Company to survive the insolvency of one or more of its principal debtors
- protect the Company from the effects of significant, unforeseeable one-off shortfalls in anticipated income
- cushion the financial consequences of unforeseeable major incidents or adverse conditions affecting the Company, its touring or its premises allow the Company to assume greater commercial risk in undertaking more diverse, challenging and innovative work.

3) Touring and Freelancer Support. Fund set up in 2021 to mitigate the impact of COVID-19 on the cash flow of regional venues and on freelancers, we allocated the balance of our undesignated unrestricted reserves to a designated Touring & Freelancer Support Fund.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	3,753	-	3,753	2,406	-	2,406
Investments	1	-	1	1	-	1
Current assets/(liabilities)	480,984	208,658	689,642	571,349	120,136	691,485
	<u>484,738</u>	<u>208,658</u>	<u>693,396</u>	<u>573,756</u>	<u>120,136</u>	<u>693,892</u>

17 Operating lease commitments

At the reporting end date the had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	39,987	48,789
Between two and five years	73,534	143,402
	<u>113,521</u>	<u>166,191</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

19 Cash generated from operations

	2022 £	2021 £
(Deficit)/surplus for the year	(496)	83,903
Adjustments for:		
Investment income recognised in statement of financial activities	(1,236)	(2,355)
Amortisation and impairment of intangible assets	2,584	2,689
Movements in working capital:		
Decrease in debtors	54,922	311,384
(Decrease) in creditors	(77,122)	(85,242)
Cash (absorbed by)/generated from operations	<u>(21,348)</u>	<u>310,379</u>

HEADLONG THEATRE LIMITED

England & Wales - Charity number 267965

Accounts

Charity Registration No. 267965

Company Registration No. 01171757 (England and Wales)

HEADLONG THEATRE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

HEADLONG THEATRE LIMITED

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HEADLONG THEATRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D Munday R Huntrods N Jones P Puwanarajah (resigned from the board 19th November 2020) T Phillips C Donald M Whitlum L Wan J Hurt S Ellis J Bennett L Lambley
Charity number	267965
Company number	01171757
Registered office	17 Risborough Street London United Kingdom SE1 0HG
Auditor	Azets Audit Services 2nd Floor Regis House 45 King William Street London United Kingdom EC4R 9AN
Bankers	HSBC plc 65 Cornmarket Street Oxford OX1 3HY
Key Management Personnel:	
Chief Executive / Artistic Director	J Herrin (to 31st May 2020)
Chief Executive	A Stacey (from 1st June 2020)
Executive Director	A Stacey

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)

OBJECTIVES AND ACTIVITIES

Headlong is one of the most ambitious and exciting theatre companies in the world, creating exhilarating contemporary theatre: a provocative mix of innovative new writing, reimagined classics and influential twentieth century plays that illuminate our world. We make bold, groundbreaking productions with some of the UK's finest artists. We take these industry leading, award-winning shows around the country and beyond, in theatres and online, attracting new audiences of all ages and backgrounds. We engage as deeply as we can with these communities and this helps us become better at what we do. Headlong is constantly evolving to inspire audiences with exhilarating ideas and performance.

Over the past few years, including during the COVID-19 pandemic, Headlong's productions have enjoyed incredible success among critics and audiences alike, and over one and a half million people have seen our productions on stage and screen. We have successfully built Headlong's brand with programmers worldwide, renewing partnerships with venues across the UK and establishing strong, new links with partners throughout Europe, Australia and the USA.

During the pandemic Headlong's reduced turnover of £1,093,784 still makes us one of the biggest producers on the subsidised touring theatre circuit; we consistently achieve significant audience attendance for our work, far outstripping the reach achieved by companies of similar scale.

ACHIEVEMENTS AND PERFORMANCE

It has been a year of leadership change for Headlong, with Jeremy Herrin leaving the company in 2020 and Donna Munday succeeding Robin Paxton as Chair. The challenges of the period were exacerbated by the rapid spread of COVID-19 across the globe coinciding with seismic political and cultural change.

The COVID-19 pandemic and the resultant theatre closures depleted resources across the industry, which was compounded by financial problems at organisations less fortunate than Headlong. The Government's Culture Recovery Fund and Coronavirus Job Retention Scheme provided a much needed safety net for the industry, and in many cases both funds have saved companies and venues from collapse. Headlong made the decision not to apply for funding from the CRF scheme due to the strong reserves positions held by the company.

In these challenging circumstances, the Headlong Board promoted the experienced Executive Director, Alan Stacey to CEO and increased the responsibilities of its Associate Artistic Director Holly Race Roughan. The impact of COVID-19 is reflected in each section of the following report, which focuses on Headlong's activities during the pandemic.

The dynamic Headlong team faced a cultural landscape beset by unparalleled challenges in 2020/2021. With theatres closed during March 2020, tentatively reopened in autumn, then locked down again from December 2020 until May 2021, the team suffered the closure of its UK tour of *Faustus: That Damned Woman* by Chris Bush, as well as the postponement of its next tour *Jitney*, by August Wilson.

Yet the company showed its ability to be fleet of foot and 71 days after the first UK lockdown was announced, the first episodes of *Unprecedented* were broadcast on the BBC. Created and performed in the artists' homes, *Unprecedented* showcased the exceptional work of a diverse group of some of the UK's finest writers, directors, and actors, and employed over 100 freelancers when other work was in extremely short supply. To date it has been watched by over 1 million people.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Headlong later curated and led Signal Fires in collaboration with a network of UK touring theatre companies. Designed to provide both a warning signal about the state of British theatre and to celebrate the nation's creative talent, over 40 companies created their own stories by firelight, either as live performances (outdoors and socially distanced), or experienced online. Headlong's own signal fire was due to be a live performance in Liverpool, the first city to be placed in regional lockdown in October 2020. Again, the company was fleet of foot, switching its project online and giving birth to The Ghost Caller, a spooky and meditative audio tale by Liverpool based writer Luke Barnes, delivered by phone (and also by video, which was BSL interpreted).

Despite the challenging circumstances, 2020/2021 also saw the continuation of our artist development scheme Headlong Origins. This scheme aims to celebrate, support and diversify our pool of artists and theatre makers across the UK, outside London. This year has seen the 2019 cohort of emerging directors plan their R&D sessions following a series of online and virtual workshops and masterclasses led by Headlong's artistic team during the pandemic. We also recruited a further 4 directors in October 2020 who will be with Headlong throughout 2021/2022. Origins is now entering its third year and has been an unmitigated success for both the directors and the company.

Partnerships

Working with co-producers, venues and partners continues to be a central focus in our business model. Over the past few years we have actively co-commissioned and partnered with regional theatres to present work, rather than just touring to receiving houses, ensuring that our partners have a significant creative and producing stake in the performances we take there, and being able to tailor our work more specifically to the local audience.

Still live performance in theatres across the country proved impossible for Headlong in 2020/2021 which has been the bedrock of the company's success over many years. Touring has always been at the heart of this artistic achievement and we were due to visit Northern Stage for the first time as part of our tour of Faustus: That Damned Woman, before the final leg of the tour had to be cancelled due to the COVID-19 pandemic.

In 2020/2021 we partnered with the BBC and Century Films for the first time to produce Unprecedented, which was the first major theatre digital innovation to hit British screens in lockdown. For Signal Fires we collaborated with over 40 UK based touring companies, many of whom Headlong had never worked with before. We also partnered with iconic arts venue St Luke's Bombed Out Church in Liverpool for our own Signal Fires production before the city was placed in Tier 3 and the production had to be cancelled. We continue to build relationships with these companies and look forward to working with them in the future.

The pandemic saw the postponement of two of Headlong's most eagerly anticipated commissioned plays at the National Theatre and the Young Vic – Jack Thorne's adaptation of the Kore-eda film After Life and James Graham's new play Best of Enemies, inspired by the documentary of the same name. Both the National Theatre and the Young Vic are two of Headlong's important and effective London based partnerships and we look forward to working with them more closely again in 2021/2022 when these shows are finally produced.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Partnerships (continued)

We have a range of important and effective partnerships in both the subsidised and commercial theatre sectors. In the subsidised sector perhaps our most important relationships are with regional theatres in England. Leeds Playhouse, Bristol Old Vic, Birmingham Rep, Chichester Festival Theatre and Manchester HOME in particular stand out as past and current collaborators whose financial backing and appreciation of artistic risk have made shows possible for Headlong. We have used these solid relationships to develop both Headlong Futures, our ambitious outreach programme that sought to build bridges between individuals from different backgrounds and communities and the arts, and Headlong Origins, an artist development programme that targets and nurtures talented theatre makers from outside of London.

Our relationships in the commercial sector are equally strong and have been crucial in raising brand awareness. *1984*, *The Nether*, *People, Places and Things*, *This House* and *Labour of Love* were presented in the West End in partnership with some of the most influential companies in the industry, including Sonia Friedman Productions, National Theatre productions, Nica Burns Productions, Neal Street Productions and Michael Grandage Company. Four of the five shows have made a profit that we have then been able to re-invest into our work.

Supporting artists

Headlong is one of the major commissioners of new work in the country. Each commissioned writer is given specialist support by our Associate Artistic Director and our Creative Associates. Headlong has a commitment to identifying talent, and then helping those talented writers get to the next level in their career. Jack Thorne, for instance, is already one of the UK's leading writers, so this relationship is centred on giving him the support he needs to take the biggest risks he can; in this case, our recent production of *After Life* at the National Theatre.

The relationship with some of our earlier career writers centre on exploring who they are as writers and supporting them in telling the stories they want to tell, and over the past two years Headlong has built on its commitment to gender equality in its 4 commissions a year, with a commitment that one of those four commissioned writers will be of Global Majority. This has resulted in commissions for Jasmine Lee Jones, Nathaniel Martello-White, Inua Ellams, Winsome Pinnock and more.

The Headlong office Writer's Room, which we hope will be functional again after the COVID-19 vaccination programme, is a physical space for our commissioned playwrights to work on their plays. This room is not only for our writers to have a dedicated space where they can work, but also to facilitate closer ties between writers and Headlong staff. We will offer space in the Writer's Room to at least 3 playwrights a year.

The first two years of our Headlong Origins scheme has been a resounding success; throughout the pandemic we have hosted online workshops, mentoring sessions and meetings for the six emerging directors who began their attachment with Headlong in late 2019. 2020/2021 also saw us recruit a further 4 directors who began their yearlong residency with headlong in December 2020. This new group have also participated in workshops and masterclasses, curated by Headlong's Creative Associates and producers. In 2021/2022 all 10 directors will have the opportunity to hold Research & Development weeks to develop their ideas and project proposals.

Going forward this programme will continue to encourage collaboration between artists, which will feed into our future commissioning and programming.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Equality, Diversity & Inclusion

Our current business plan 2018-2022 fully embeds diversity and equality within all strands of the company. Over the past five years or so, Headlong has committed to making sure inclusivity is at the forefront of all its activity and we strive to ensure we reflect the diversity of contemporary England through actor representation, commissioning, creative teams, participants, audiences and our staff and board recruitment. Most recently, this has culminated in the development of six 'Justice Plans' for Race, Disability, Class, LGBTQI+, Gender and Sustainability. Our 'Justice Plan – Race' was published in September 2020 and we expect 'Disability' and 'Sustainability' to be published in 2021/2022.

In order to develop these plans, Headlong has a weekly Justice Group meeting to which all staff members are invited. Furthermore, Headlong's Board is integrated into the process with attendees of the Justice Group contributing to Board meetings and trustees attending Justice Group meetings on a monthly basis. This work is intended to make sure equality, diversity and inclusion is central to artistic planning, producing and all the other facets of the company.

We continue to progress towards gender balance and full representation across our artistic output and amongst our staff and board. Our board is now 72% female, 28% male, with 18% Global Majority. This latter figure will increase to 25% in 2021/22 when Justin Audibert, a Global Majority director, becomes a Trustee. The full board as well as the Finance & General Purposes (F&GP) and Nominations committees are chaired by women, and the Nominations committee continues to work on our Board diversification strategy. At the end of 2020/2021 our staff was 67% female and 33% Global Majority.

We remain a member of Tonic's Advanced Network, and throughout this last year our staff have continued to attend the regular (and currently online) training sessions and networking opportunities this platform provides, discussing equality, diversity and inclusion with our peers from around the country. We engaged further with Tonic regarding inclusive recruitment practices, ensuring our processes are non-discriminatory and encourage a wide range of applicants. This has been particularly effective during recruitment for a new Artistic Director.

Headlong remains committed to gender parity in our commissions, with a 50/50 split between men and women. Of the 115 freelancers we engaged with in 2020/2021, 60% identified as female including directors, actors, stage managers, designers and writers. We have also worked with 9 individuals who identified as disabled.

We have continued to successfully operate robust data gathering with Equal Opportunities Forms, through which we can monitor the diversity amongst our staff and board members, and within our contracted casts, commissioned playwrights and creative teams.

Digital reach

Headlong's partnership with the BBC on Unprecedented was the first major theatre digital innovation to hit British screens in lockdown. Written by celebrated playwrights, curated by Headlong and Century Films and performed by a cast of over fifty UK actors, Unprecedented is a series of short digital plays exploring our rapidly evolving world. Writers included April De Angelis, Charlene James, John Donnelly, Matilda Ibin, James Graham and Prasanna Puwanarajah. Directors included Holly Race Roughan, Ned Bennett, Ola Ince, Tinuke Craig and Nathaniel Martello-White. Actors included Lennie James, Gemma Arterton, Arthur Darvill, Erin Doherty, Rory Kinnear, Alex Lawther, Olivia Williams and Meera Syal. It was Headlong's most high profile and critically successful digital project to date, and has been watched by over 1 million people.

In October 2020 we produced The Ghost Caller; this was Headlong's first foray into theatrical audio content, co-produced with the dynamic interactive theatrical game company Coney and narrated by Liverpool-born David Morrissey and Leanne Best. Audiences were asked to dial a number to listen to the piece, it attracted thousands of phone calls and an outpouring of gratitude and evocative messages on social media. Social analytics and reporting saw our digital audiences rise hugely on the back of The Ghost Caller, with the under 25 demographic rising from 5%, to up to 20% across all platforms.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Digital reach (continued)

The Ghost Caller and *Unprecedented* cemented Headlong's reputation as a digital pioneer, a reputation built on the back of 14 films for the Guardian exploring our exit from the European Union in 2017 and 2019.

The past year has demonstrated our capacity not only for digital exploration but our capacity to explore the shifting social and cultural sands of Britain. In terms of digital art, we are at the forefront of developments in the form, with millions of people across the country engaging and delighting in the work.

We have been successful in the further growth of followers and subscribers across our digital platforms with over 16,000 subscribed to our newsletter email database and over 56,000 following Headlong across Twitter, Facebook, Instagram, Vimeo and via our website.

We have continued to support 100% of our productions with digital resources, producing trailers for each show and filming other content such as interviews, audience vox pops and behind the scenes footage, which is shared on social media and with our partners to engage audiences with our work.

FINANCIAL REVIEW

Financial Sustainability

2020/2021 started 8 days into the first COVID19-related national lockdown. We had to cancel 24 performances of our touring show, *Faustus: That Damned Woman*. We also cancelled one show in autumn of 2020/2021 and postponed 3 other shows. However, we created a new digital show in the place of our autumn show (*The Ghost Caller*), and all 3 postponed shows have now been rescheduled and are going ahead with *After Life* already finished with its run at the National Theatre as at July 2021.

Headlong continuously adapted to pandemic conditions by keeping our postponed shows alive, as well as creating 2 new high-quality productions with a very quick turnaround; *Unprecedented* and *The Ghost Caller*. They were two digital projects; the former a compilation of TV-plays focused on the varied impacts of the pandemic aired on the BBC, the latter a project about grief and loss, created in the wake of the cancellation of our show *After Dark*, in Liverpool the week of its planned opening. Despite the difficulties of the past year, 2020/2021 saw us continue to deliver high-profile work, upholding our name for excellence and dynamism, while maintaining our relationships with individual donors and trusts and foundations during a very difficult time.

Before the pandemic had begun, we had budgeted an increased target of £285,000 up 14% on the previous year. We were on track to meet this target, however the impact of COVID-19 meant that our forecast was subsequently decreased to £190,000, when it became clear that the road ahead was an unprecedented one. At the end of 2020/2021 we had raised a total of £189,176, which represented 66% of the original target of the original target of £285,000, or 99% of the decreased target of £190,000.

Of that fundraised figure, we received £167,500 from Trusts and Foundations, a 72% increase on the previous year, 30% of which was in support of Headlong Origins.

In light of the current situation, we will continue engaging with individual donors on virtual platforms and in person if it is safe to do so. We will cultivate new relationships through individual meetings and fundraising events to continue to expand and engage our network of prospective donors with our work.

As well as focusing on fundraising, we have also taken the past year to focus on Equality, Diversity & Inclusion (EDI), which we believe is crucial to our financial and artistic future. In order to better prioritise and monitor our budget for EDI, we have included a section in our accounts to show the amount we are spending on it.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial Sustainability (continued)

In this section is reflected the amount of overheads that we have allocated to EDI; this includes the cost of staff time, as well as costs such as more inclusive marketing and recruitment practices, training for the staff & board, and expenditure on office access. Also reflected in this EDI budget section, is the 8% of each production budget that we reserve for EDI-related costs.

Regarding overall financial monitoring, our Finance Manager continues to oversee and refine the systems she implemented when she started at Headlong, which provide checks and balances and an appropriate audit trail, while maintaining a high level of accuracy and efficiency. All bank transactions require a two-person authorisation system, and all budgets are supervised by individual internal budget-holders and invoices are signed off by a second authoriser before being paid. All Board-level financial papers are first checked by and discussed with the Financial & General Purposes Committee, before they are then reported to the Board on a quarterly basis.

Reserves Policy

The company aims to manage the funds and grants that it receives to ensure that, at any time, sufficient reserves are available to ensure that committed projects are completed, and committed administrative costs are covered. The Board has considered and discussed the impact of COVID-19 on the company's reserves policy. As our reserves are in a healthy position, the company feels it is in a position to help support some of our colleagues and partners during this difficult time. With this in mind, the trustees consider that for an artistically-led company of this scale it is appropriate to carry reserves structured as follows:

- A depreciation and maintenance fund of no less than £30,000.
- A contingency fund of 5 months operating costs, which the board deems to be appropriate for a company of Headlong's scale and turnover.
- To mitigate the impact of COVID-19 on the cash flow of regional venues and on freelancers, we have reallocated the balance of our 'Creative Fund' and our 'Artist Development & Support Fund', to a designated Touring & Freelancer Support Fund, at £205,707 (as at year end 2020/2021).

Risk Management

The trustees have carried out a review of the company's activities and produced a risk register setting out the risks to which it is exposed. The company's risk management strategy comprises:

- An annual review of the risks which the company may face
- The establishment of systems and procedures to mitigate those risks identified in the register

The report below features the risks that the trustees deemed to be the most significant to the company throughout the course of 2020/2021, updated to reflect the impact of the COVID-19 pandemic.

Among the main risks identified at present are the following:

1. Force majeure (external risk). This risk was introduced in light of the pandemic and the impact it is having on the performing arts industry. The risk score is high; it will likely remain at this level and will be dependent on the UK's overall recovery. Headlong will continue to monitor the situation and adapt accordingly.
2. A significant drop in theatre revenue. This risk is controlled and mitigated by increasing our number of co-productions, partnering with venues capable of paying high guarantees and investing commercial income in regional artists and productions.
3. Sudden incapacity or loss of key artistic and/or executive personnel. This risk is mitigated by having a rigorous succession plan that is regularly monitored by the Board Members.
4. The reduction or axing of government arts funding. This risk is controlled and mitigated by diversifying income streams, planning for cuts, and retaining a lean infrastructure.
5. Co-production market changes adversely to Headlong. This risk is mitigated by the continuing development of relationships with co-producers and further diversifying income streams.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Fundraising

Despite continued uncertainty due to the absence of an Artistic Director and the ongoing unpredictability and challenges presented by COVID-19, Headlong's fundraising activities remained stable for the financial year ending 31st March 2021. Headlong fundraised a total of £189,176 towards our target of £190,000, which represents 99% of target. We had to return a donation of £30,000 to a donor who supported a project back in 2018 that has not been delivered to Headlong. Therefore, we are ending the 2020/2021 financial year at a lower figure than originally forecast with an adjusted total of £159,176 or 84% of target.

We continued our ongoing relationships with Backstage Trust, The Pureland Foundation and The John Ellerman Foundation who provided crucial multi-year support for Headlong Origins, *After Life* and our new commissions respectively. Cockayne – Grants for the Arts and the London Community Foundation agreed to allow their previous grant of £25,000 (from 2015) to be re-allocated from James Graham's play *Maastricht* to *Best of Enemies*. We had a very successful renewal campaign with the majority of donors renewing their support this year raising £19,345 from individual donors. However, a few regular donors have decided to reduce their gift amounts or direct their funding elsewhere (to charities that are directly addressing the pandemic) this year. These donors have stated that they intend to return to Headlong next year.

Headlong's Fundraising Team consists of a full time Development Manager and a part-time Fundraising Consultant. All fundraising activities continue to be overseen by our Executive Director who has extensive experience in fundraising and development. Headlong continues to employ a highly targeted approach to soliciting donations; we only approach individuals who have explicitly expressed an interest in supporting the company or those who have been introduced to the company by board members or friends of the company for that purpose. Nicky Jones, one of Headlong's board members who is an independent Fundraising Consultant and former Campaign Director for Mountview Academy of Theatre Arts and former Head of Major Giving and Trusts at the RSC, helps to ensure that Headlong follows the best fundraising practices.

Headlong Theatre Ltd is in full compliance with the rules and guidelines as prescribed by The Charities Act 2016 and Charities SORP and abides by the Code of Fundraising Practice as set out by the Fundraising Regulator. We have received no complaints regarding said fundraising activities.

HEADLONG THEATRE LIMITED

REPORT OF THE TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE & MANAGEMENT

Headlong Theatre Limited is a company incorporated under the Companies Act, company number 1171757 and its governing document is its Memorandum and Articles of Association. The company is a registered charity, number 267965.

The company is based in London, and is funded by Arts Council England. It has a permanent staff of eight, and is led by a volunteer Board of Directors.

Directors of the company are recruited via an open process led by the board's Nomination Committee. Individuals are then formally appointed after being proposed by another member of the board by majority vote at a board meeting. On appointment trustees are provided with a board induction pack, which outlines the function of the board, the company's financial position and future programme. Trustees are also supplied with a copy of the company's Memorandum and Articles of Association. Trustees are offered training appropriate to their roles on the board.

Trustees devolve day-to-day responsibility for the running of the charity to the key management personnel.

The key management personnel comprise of the Chief Executive of the charity who ordinarily is also the Artistic Director, and the Executive Director. In 2020/21 Alan Stacey was named Chief Executive when Artistic Director Jeremy Herrin left the company, as set out on page 1.

Headlong is committed to employing staff who are amongst the best and most ambitious employees in the sector. As such, we set our rates of pay competitively with other subsidised theatre buildings and touring companies. The remuneration of each of our key management personnel is agreed by the Finance and General Purpose Committee of the board and is determined by the seniority, experience and skills of the staff member.

HEADLONG THEATRE LIMITED

STATEMENT OF REPORT OF THE TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Headlong Theatre Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP FRS 102;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

AUDITORS

The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 14 December 2021 and signed on its behalf by:



D Munday - Trustee

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE OF HEADLONG THEATRE LIMITED

Opinion

We have audited the financial statements of Headlong Theatre Limited (the "Charitable Company") for the year ended 31 March 2021 which comprise and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2021 and of its incoming resources and application of resources, 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 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 Report of 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 '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 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 other than the financial statements and our auditor's report thereon. The are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

the 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 Report of the Trustees report and from the requirement to prepare a strategic report.

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE OF HEADLONG THEATRE LIMITED

Responsibilities of the Trustees

As explained more fully in the statement of Report of the Trustees responsibilities, the , who are also the directors of the for the purpose 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 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 are responsible for assessing the '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 either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

HEADLONG THEATRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE OF HEADLONG THEATRE LIMITED

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

John Howard (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

.....

Statutory Auditor

21 December 2021

2nd Floor
Regis House
45 King William Street
London
United Kingdom
EC4R 9AN

Azets Audit Services is eligible for appointment as auditor of the by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

HEADLONG THEATRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	3	771,261	175,068	946,329	758,956	107,500	866,456
Charitable activities	4	145,100	-	145,100	519,193	-	519,193
Investments	5	2,355	-	2,355	3,287	-	3,287
Total income		918,716	175,068	1,093,784	1,281,436	107,500	1,388,936
Expenditure on:							
Charitable activities	6	807,869	202,012	1,009,881	1,381,438	55,532	1,436,970
Net incoming/ (outgoing) resources before transfers		110,847	(26,944)	83,903	(100,002)	51,968	(48,034)
Gross transfers between funds		39,722	(39,722)	-	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		150,569	(66,666)	83,903	(100,002)	51,968	(48,034)
Fund balances at 1 April 2020		423,187	186,802	609,989	523,189	134,834	658,023
Fund balances at 31 March 2021		573,756	120,136	693,892	423,187	186,802	609,989

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HEADLONG THEATRE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		2,406		4,102
Investments	11		1		1
			<u>2,407</u>		<u>4,103</u>
Current assets					
Debtors	12	171,705		483,091	
Cash at bank and in hand		712,009		400,266	
		<u>883,714</u>		<u>883,357</u>	
Creditors: amounts falling due within one year	13	(192,229)		(277,471)	
Net current assets			691,485		605,886
Total assets less current liabilities			<u>693,892</u>		<u>609,989</u>
Income funds					
Restricted funds	14	120,136		186,802	
Unrestricted funds		573,756		423,187	
		<u>693,892</u>		<u>609,989</u>	

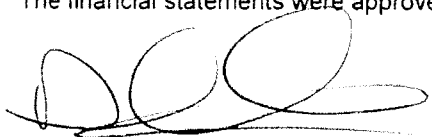
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the board of trustees on 14 December 2021



D Munday - Trustee

Company Registration No. 01171757

HEADLONG THEATRE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	19		310,379		(169,124)
Investing activities					
Purchase of tangible fixed assets		(993)		(550)	
Investment income received		2,355		3,286	
Net cash generated from investing activities			1,362		2,736
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			311,741		(166,388)
Cash and cash equivalents at beginning of year			400,266		566,654
Cash and cash equivalents at end of year			712,009		400,266

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Headlong Theatre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 17 Risborough Street, London, SE1 0HG, United Kingdom.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; the Companies Act 2006; and the requirements of the Statement of Recognised Practice, Accounting and Reporting by Charities (effective 1 January 2015). The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the . Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the have a reasonable expectation that the has adequate resources to continue in operational existence for the foreseeable future. Thus the continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the .

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations and legacies including core grants, sponsorship and gifts are included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Cost of raising funds are those costs incurred in attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the staging of its projects and performances. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

Allocation and apportionment of costs governance costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs, administrative office function costs, depreciation, HR and recruitment, and premises costs. They are incurred directly in support of expenditure on the objects of the charitable company.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination fees, fees.

Support and Governance costs have been 100% allocated to the charitable activity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	Over 4 years
Fixtures and fittings	Over 4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the 's balance sheet when the becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the 's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Legal Status

The charitable company is a company limited by guarantee. The Memorandum of Association restricts the liability of members on winding up to £1 unless their liability becomes unlimited through contravention of the Memorandum. In the case of winding up none of the accumulated funds are distributed to the members but shall be given or transferred to some other charitable institution having similar objectives.

1.14 Public Benefit

The charitable company meets the definition of a public benefit entity under FRS 102.

1.15 Fund accounting

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

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

2 Critical accounting estimates and judgements

In the application of the charities accounting policies, the are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Trust funding and donations	78,959	92,500	171,459	79,162	-	79,162
Grants - Art Council England	692,302	-	692,302	679,794	-	679,794
BBC Funding	-	82,568	82,568	-	107,500	107,500
	<u>771,261</u>	<u>175,068</u>	<u>946,329</u>	<u>758,956</u>	<u>107,500</u>	<u>866,456</u>

4 Charitable activities

	Operation of touring theatre 2021 £	Operation of touring theatre 2020 £
Performance and workshop fees	75,488	416,361
Royalty Income	-	11,632
Theatre Tax Relief	69,612	91,200
	<u>145,100</u>	<u>519,193</u>

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	<u>2,355</u>	<u>3,287</u>

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

	Operation of Touring Theatre 2021 £	Operation of Touring Theatre 2020 £
Operation of Touring Theatre	518,216	981,204
Share of support costs (see note 7)	466,126	446,096
Share of governance costs (see note 7)	25,539	9,670
	<u>1,009,881</u>	<u>1,436,970</u>
Analysis by fund		
Unrestricted funds	807,869	1,381,438
Restricted funds	202,012	55,532
	<u>1,009,881</u>	<u>1,436,970</u>

All costs are allocated between the expenditure categories noted above on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, for example, time spent, per capita or floor area.

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	454,078	-	454,078	424,002	-	424,002
Depreciation	2,689	-	2,689	5,273	-	5,273
Bad Debts	-	-	-	236	-	236
Computer Expenses	9,209	-	9,209	8,682	-	8,682
Finance Costs	150	-	150	7,903	-	7,903
Audit fees	-	12,287	12,287	-	8,202	8,202
Legal and professional	-	12,753	12,753	-	543	543
Board Expenses	-	499	499	-	925	925
	<u>466,126</u>	<u>25,539</u>	<u>491,665</u>	<u>446,096</u>	<u>9,670</u>	<u>455,766</u>
Analysed between						
Charitable activities	466,126	25,539	491,665	446,096	9,670	455,766

Governance costs includes payments to the auditors of £5,700 (2020 £5,520) for audit fees.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Trustees Remuneration

None of the Trustees received any remuneration or benefits during the year

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	12	11
	<u> </u>	<u> </u>
Employment costs	2021	2020
	£	£
Wages and salaries	454,078	424,002
	<u> </u>	<u> </u>

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
	2	2

The key management of the charity comprise of the trustee, the Chief Executive/Artistic Director and the Executive Director. The total employee benefits of the key management personnel of the charity were £ 97,294 (2020 £147,200)

10 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2020	55,576	12,215	67,791
Additions	993	-	993
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	56,569	12,215	68,784
	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment			
At 1 April 2020	52,512	11,177	63,689
Depreciation charged in the year	2,143	546	2,689
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	54,655	11,723	66,378
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 March 2021	1,914	492	2,406
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2020	3,064	1,038	4,102
	<u> </u>	<u> </u>	<u> </u>

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Fixed asset investments

	Shares in Group Undertakings £
Cost or valuation	
At 1 April 2020 & 31 March 2021	1
Carrying amount	
At 31 March 2021	1
At 31 March 2020	1

There were no investment assets outside the UK. This entity is current dormant
The investment is for 100% of the share capital of Headlong Commercial Limited
(registered company number 09276083), a private company limited by share

12 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	17,137	221,347
Other debtors	51,360	57,334
Prepayments and accrued income	103,208	204,410
	171,705	483,091

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	3,125	17,746
Trade creditors	145,550	72,497
Amounts owed to fellow group undertakings	-	76,710
Other creditors	4,817	34,421
Accruals and deferred income	38,737	76,097
	<u>192,229</u>	<u>277,471</u>

Deferred Income represents production income deferred when the production income deferred when the production is scheduled to occur in the following financial year:

	£	2020 £
Balance b/fwd	-	23,725
Income Released in the year	-	(23,725)
Income Deferred In year	14,075	-
	<u>14,075</u>	<u>-</u>
Balance c/fwd at 31 March 2021	<u>14,075</u>	<u>-</u>

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019 £	Movement in funds			Balance at 1 April 2020 £	Movement in funds			Transfers 31 March 2021 £	Balance at 31 March 2021 £
		Incoming resources £	Resources expended £			Incoming resources £	Resources expended £			
Headlong Futures	63,167	-	(17,992)		45,175	-	-		(35,223)	9,952
Headlong Origins	45,000	65,000	(37,540)		72,460	50,000	(40,258)		-	82,202
James Graham (Maastricht)	26,667	-	-		26,667	-	(26,667)		-	-
New Commissions	-	20,000	-		20,000	20,000	(7,519)		(4,499)	27,982
After Life	-	22,500	-		22,500	22,500	(45,000)		-	-
Unprecedented	-	-	-		-	82,568	(82,568)		-	-
	134,834	107,500	(55,532)		186,802	175,068	(202,012)		(39,722)	120,136

Headlong Futures had no donations this year. In the previous year fund is made up of donations from the Esme Fairbairn & Buffini Chao Foundations. The Headlong Origins Fund is due to the Backstage Trust and the Garrick Trust, with a net movement of £9,742 in this financial year. The new Commissions fund is due to The John Ellerman Foundation who donated £20,000, and the After Life fund was donated £22,500 from Pureland Foundation

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Designated and Unrestricted

	Balance at 1 April 2019 £	Movement in funds			Balance at 1 April 2020 £	Movement in funds			Balance at 31 March 2021 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £	
General Fund	62,560	1,281,436	(1,381,438)	37,442	-	-	-	-	-
Depreciation and Maintenance Fund	39,793	-	-	17,000	56,793	-	-	-	56,793
Contingency Fund	246,178	-	-	15,068	261,246	-	-	-	261,246
Creative fund	174,658	-	-	(139,510)	35,148	918,716	(787,869)	(165,995)	-
Artist Development and Support	-	-	-	70,000	70,000	-	(20,000)	-	50,000
Touring & Freelancer Support	-	-	-	-	-	-	-	205,717	205,717
	523,189	1,281,436	(1,381,438)	-	423,187	918,716	807,869	39,722	573,756

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Designated and Unrestricted

(Continued)

1) Depreciation and Maintenance Fund. The balance of this fund is intended to be no less than £30,000, and which is designated and set at a level sufficient to finance the future depreciation costs, as forecast, of currently held theatre and office equipment and to cover maintenance of a cyclical nature to the company's premises and equipment, repair costs which exceed ongoing budgetary allocations for this purpose, and improvements to the company's facilities. The Directors believe that a fund totalling £30,000 will be adequate for this purpose and intend to replenish it as funds are drawn down.

2) Contingency Fund. The balance of this fund is intended to be no less than £246,000. The purpose of this fund is to:

- increase the Company's cashflow and enable it to be a prompt payer
- free the Company from reliance on bank overdraft or other debt financing for its working capital
- enable the Company to survive the insolvency of one or more of its principal debtors
- protect the Company from the effects of significant, unforeseeable one-off shortfalls in anticipated income
- cushion the financial consequences of unforeseeable major incidents or adverse conditions affecting the Company, its touring or its premises
- allow the Company to assume greater commercial risk in undertaking more diverse, challenging and innovative work.

3) Creative Fund. The balance of this fund is intended to be no more than £200,000. This fund was first separately designated during 2007/8 for the purposes of:

- periodically mounting exceptionally costly and ambitious work
- exceeding the Company's normal levels of output
- financing the extension of tours to venues which would otherwise be uneconomic
- touring overseas
- seizing creative opportunities outside the Company's core programme of work
- investing in transfers, residencies etc, where these might not otherwise take place
- investing in longer-term artistic projects where income is deferred or otherwise uncertain
- pursuing special projects designed to widen access to its work

The level of the fund is expected to fluctuate as calls are made upon it from time to time and as opportunities to replenish it arise; however, the Directors intend that, other than in the short term, it should not fall below £30,000 or exceed £200,000, a level which they consider appropriate for the scale and ambition of the Company.

HEADLONG THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	2,406	-	2,406	4,102	-	4,102
Investments	1	-	1	1	-	1
Current assets/ (liabilities)	691,485	-	691,485	419,301	186,585	605,886
	<u>693,892</u>	<u>-</u>	<u>693,892</u>	<u>423,404</u>	<u>186,585</u>	<u>609,989</u>

17 Operating lease commitments

At the reporting end date the had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	48,789	22,789
Between two and five years	71,612	143,402
	<u>120,401</u>	<u>166,191</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

19 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	83,903	(48,034)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,355)	(3,287)
Amortisation and impairment of intangible assets	2,689	5,273
Movements in working capital:		
Decrease/(increase) in debtors	311,384	(73,281)
(Decrease) in creditors	(85,242)	(49,795)
Cash generated from/(absorbed by) operations	<u>310,379</u>	<u>(169,124)</u>