

REGISTERED COMPANY NUMBER: 01321359 (England and Wales)
REGISTERED CHARITY NUMBER: 274198

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
M6 THEATRE COMPANY LIMITED

Wyatt, Morris, Golland Ltd
Statutory Auditors
Park House
200 Drake Street
Rochdale
Lancashire
OL16 1PJ

M6 THEATRE COMPANY LIMITED

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FOR THE YEAR ENDED 31 MARCH 2021**

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M6 THEATRE COMPANY LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021**

TRUSTEES	S J Whitehead R Parker M Gott A Jackson F Fogarty J Welsby N Gloudon N Akhtar (appointed 26.10.20) S J De Courcey (appointed 6.11.20) R L McBride (appointed 9.11.20) M Abdulaleem (appointed 26.10.20)
COMPANY SECRETARY	D Palmer
REGISTERED OFFICE	Studio Theatre Hamer County Primary School Albert Royds Street Rochdale Lancashire OL16 2SU
REGISTERED COMPANY NUMBER	01321359 (England and Wales)
REGISTERED CHARITY NUMBER	274198
AUDITORS	Wyatt, Morris, Golland Ltd Statutory Auditors Park House 200 Drake Street Rochdale Lancashire OL16 1PJ

M6 THEATRE COMPANY LIMITED

REPORT OF THE TRUSTEES 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

Objectives and aims

The objectives for which the Company is registered are to promote, maintain, improve and advance education particularly by the production of plays and the encouragement of participation in Theatre and the Arts.

The following policy has been adopted in order to further the Company's principal objectives: -

"To broaden the education of the target audiences of children and young people by producing rich and diverse programmes of high quality professional theatre, both adapted from existing works and works commissioned by the Company, which deal with a wide variety of relevant social and cultural issues".

There have been no material changes in the policies adopted by the Company over the last year.

Public benefit

M6 Theatre Company is a public benefit company which advances the education of the public by creating high quality innovative and accessible theatre that celebrates diversity and prioritises disadvantaged communities. M6 creates theatre that ignites the imagination, nurtures the heart and challenges the minds of young people, helping them develop the emotional literacy and self esteem necessary to make informed choices and expand their social and cultural horizons.

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

M6 THEATRE COMPANY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Achievement and performance

M6 Theatre is one of Britain's leading theatre companies specialising in creating and delivering excellent work with, by and for children and young people.

With over 40 years proven experience, our tiny team normally:-

- engages over 10,000 live audience/participants annually
- tours original theatre experiences to schools, community settings and national theatres alongside our own Studio Theatre in Rochdale
- shares our moving productions and thought-provoking films to offer alternative views of the world where difference is championed, kindness celebrated, and empathy unlocked
- creatively collaborates with diverse creative teams and nurture emerging and new talent to reflect our community, with key grassroots partners and sector networks continually informing our development
- nurtures local children and young people to create and share their own amazing plays and films and offer multiple work experience opportunities to expand their creative career options
- champions Performance for Young Adults, cultural education, inclusion and access for all

Our key aims are to:

1. Have a reputation as specialists in making theatre with, for and by children and young people that has depth, is multi-layered and nurtures empathy, respect and emotional literacy
2. Offer original world class theatre, locally grown with universal resonance, appeal and longevity
3. Prioritise and engage under-represented community audiences, new to theatre, in areas of low arts engagement and multiple deprivations
4. Unlock the potential of children and young people, using theatre as a tool for positive change and respond to the challenges of living in contemporary Britain
5. Champion diversity, nurture under-represented creative talent and new diverse voices in theatre
6. Champion Theatre for Young Audiences, cultural education and Rochdale's Cultural Engagement offer

During lockdown, M6's team fully committed to "do what we can do, safely"- proactively managing risk, safely responding to change, embracing innovative ways of working with the aim of surviving in whatever new landscape emerges in theatre for young audiences.

We committed to make the most of what we had - people, products, partnerships and reserves to achieve greater reach and impact, develop new work and cross sector synergy to ensure the TYA sector survived. So whilst many organisations had to furlough entire teams of staff, our small team continued to operate at 80% capacity to achieve this.

We swiftly adapted our delivery plans to new digital interventions to ensure we continued to engage with target audiences/participants and developed a range of new creative products and services responding to need and supporting freelance creative artists which has increased our visibility, reach, impact and relationships.

By adapting quickly and working hard, during lockdown, we:-

- reached a new digital audience of over 30,000 and developed in-house film-making skills with When We Started Singing,
- engaged with 20 more local community groups via Grassroots Gatherings
- employed 78 diverse freelance artists and young contributors,
- supported the creation of 10 new plays through our Love In The Time of Corona competition,
- digitally shared 2 new Youth Theatre radio plays and 2 musical videos, devised throughout lockdown by participant zoom sessions
- gained recognition as NW Cultural Education Award finalists
- practically encouraged 26,600 digitally disadvantaged young people to be creative with Being The Change
- Remounted Little Gift for Christmas 2020, at North Wall Oxford in Zone 2, "bubbling" the touring team, effectively implemented/tested new safe ways of working in collaboration with venue technical and front of house teams and delighting family audiences returning to theatre for the first time - a rarity!
- Adopted flexible, effective and environmentally friendly remote working practice and joining Manchester Arts Sustainability Team to support Greater Manchester carbon neutral goals.

Quite a feat for such a small team.

BEHIND THE SCENES

We stayed true to our values and priorities; silver linings include:-

- diversifying our board membership and creative teams
- honouring all financial commitments to freelance artists
- waiving fees for participants hit by financial hardship.

M6 THEATRE COMPANY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

- liaising with sector peer organisations to understand wider impact.
- engaging more easily with local grassroots organisations monthly via new zoom networks to inform local programme and practice.
- producing 26 digital products & increasing followers/subscribers on social and video platforms.
- becoming more proficient at regular multiple scenario planning.
- investing in our infrastructure and networks to ensure we are greener, leaner and more sustainable as well as being able to work effectively remotely.
- digitizing and archiving, streamlining on-site storage, creating more space within our existing footprint at M6 Studio.
- investing in training, extra support and systems development to help teams, participants and audiences to return safely after the interval.

FINANCIAL LANDSCAPE & CONTEXT

We liaised with our funding partners to rescope delivery plans; cut costs where possible; availed of JRS funding (20% staff capacity) and COVID emergency funding and participated in collaborative fundraising with Rochdale Culture Network members to develop new co-producing practice.

We carefully monitored cashflow and financial sustainability. Our annual income reduced significantly due to COVID in FY21 and so we prepared to use our reserves to fund this work. Thankfully due to exploring new income streams to offset reduced income (Job Retention Scheme and Film Tax Relief), these reserves can now be maintained to underpin our FY22 activity plan.

In a competitive funding landscape and where a number of our strategic projects have ended, we have secured ACE NPO, NHS CCG, BBC Children In Need, RBC and Link4Life funding for FY22 and have increased earned income levels from digital products.

Financial review

Review of the transactions and financial position of the company

M6 is revenue funded by the Arts Council England, Rochdale Link4Life and the Association of Greater Manchester Authorities. The company is a charity and is reliant on the support of Trusts, Foundations and sponsors to fund activities.

For the financial year ended 31 March 2021, the Company's financial activities resulted in a net inflow of unrestricted funds of £45,934 and net outflow of restricted funds of £16,646, creating an in-year surplus of £29,288.

Details of these funds are shown in note 16 to accounts.

This result demonstrates the strength of the financial performance of the organisation in a very challenging financial environment. The company controlled project costs and continued to invest in key organisational development - this result has been realised through a combination of strong financial management, effective fundraising and adapting programme delivery where feasible.

Designated Reserves

As at 31 March 2021, the Company has designated reserves for future capital assets replacements of £45,000. This represents a net decrease from the previous year end of £992 as the reserve has been fully written off during the year as the van was sold.

Also as at 31 March 2021, the Company has designated reserves for employment costs of £35,000 and schools engagement initiatives of £10,000 for use in 2021-22 and beyond.

Investment policy and objectives

The Board reviews the investment policy annually, primarily to ensure exposure to financial risk is minimised and unethical investments are avoided. Currently the Board has determined standard bank and building society accounts to be the most appropriate means of investing funds.

Reserves policy

Given the current economic climate and the accompanying business uncertainty, the Board has considered it prudent for the Company to maintain unrestricted funds, which are free reserves of the Company, at a level that equates to at least six months' unrestricted expenditure. This is considered sufficient cover for management and administration and support costs. At the year end the free reserves were marginally below this level and steps are being taken to correct this position.

The Company has designated unrestricted reserves of £90,000 in respect of discretionary expenditure for asset replacement, employment and engagement which the Board has approved to be fully utilised in the forthcoming years.

The Board reviews the reserves policy annually to take account of changing circumstances.

M6 THEATRE COMPANY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Financial review

Going concern

There are no material uncertainties about the charity's ability to continue as a going concern.

COVID19 IMPACT

M6 continued to meet the needs of children, young people and families and artists during lockdown by gaining funder approval to create and disseminate a range of digital and physical creative interventions including films, activity packs and a monologue writing competition. We adapted quickly and engaged more widely as a result. We now emerge into a changing landscape with two team members furloughing over Summer 2020 to save costs. The rest of the team are homeworking to continue to be part of Build Back Better discussions and opportunities.

Our key priority is to work productively within new COVID19 Health & Safety guidelines and use our investment to date to maximum effect (people, products, partners and place) to ensure we retain the financial resources necessary to survive longer term.

M6 has also taken steps to improve its operating and governance arrangements in direct response to the pandemic, in order to safeguard and support staff, the young people we work with, the local communities and wider public. This has included:

- The introduction of COVID risk assessments for those individuals we wish to contract with and who are from potentially susceptible groups;
- Continued working from home arrangements, to protect those staff most susceptible to the virus;
- More regularly monitoring of cashflow requirements and forecasts;
- Review of the M6 Risk Register, to ensure COVID-19 relevant internal controls and mitigations remain in place; and
- Updating Health and Safety policies, procedures and working practices at M6 Studio Theatre in line with emerging guidance and best practice.

We have undertaken regular virtual consultation with multiple key partners locally including young people, education, voluntary sector and Local Authority partners alongside theatre venues and peer touring theatre company networks nationally. We have listened keenly to what they have told us and our delivery plan to March 2022 is informed by their voices.

The aims and initiatives M6 continue to creatively support include:-

1. Black Lives Matter, the creative case for diversity and community cohesion
2. the Recovery Curriculum post COVID19 - Mental Health and Wellbeing (for school bubbles and community groups) and Environmental Sustainability
3. Creative Classrooms/Schools without Walls (reframing cultural spaces as community learning hubs)/outdoor performance (Build Back Better)

Our ability to continually adapt, the level of unrestricted reserves and confirmed NPO funding from Arts Council England to 2023 ensure that M6 remains a going concern'

M6 THEATRE COMPANY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Balanced risk and future plans

M6's Activity Plan FY22 builds on the strong developments made in FY21, recognises the value and necessity of M6 team continuity and balances operational/financial risk.

Our budget for FY22 includes new revenue streams and substantial contingency. Programme costs are scalable through quarterly forecasting and decision making to mitigate risk. Whilst we plan to utilise designated reserves as necessary, we will still retain free reserves to cover prudent levels of running costs.

Our Activity Plan FY22 is informed by our partners and community and supports the creative case for diversity, inclusion and increased access to local under-served communities including:-

- Ensuring we continue to adapt and respond to COVID restrictions and operate best practice safety conditions.
- Creating and sharing Pebble On The Beach, a brand new M6 show for children and families about connecting to the natural world and appreciating what is important in life. This includes a local pilot with our youngest creative Rochdale residents in Summer 2021 followed by a national tour in Spring 2022
- Remounting The Storm live performances in Autumn 2021 to support Rochdale's Youth Climate Summit, COP26, MAST and our own organisational environmental leadership aims. We will also be sharing a digital film and education resource of The Storm to schools and community groups throughout Greater Manchester to extend reach and impact.
- Recasting and reworking, light on her feet, Mavis Sparkle for a Christmas residency at Hullabaloo preceded by Linking Schools performances and interactive workshops at M6 Studio Theatre in Rochdale during Winter 2021.
- Presenting a year-long multi-strand Participation Programme of five youth theatres, creative outreach projects, masterclasses, work placements, behind the scenes films and sharing events online and live.
- Putting plans in place so our workforce better reflects our local community in Rochdale Borough.
- Actively championing cultural education and the unique role creative engagement plays in a variety of voluntary sector, education and health networks and fora.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The trustees are the only members of the Company and have guaranteed to pay an amount of £1 in the event of the Company being wound up.

Recruitment and appointment of new trustees

New directors are recruited when appropriate by the Board through a range of trusted channels including peer recommendation. New directors are appointed on unanimous vote.

New directors are interviewed and invited to observe M6's Board Meetings prior to appointment. Once appointed, new directors are issued with an M6 Induction Pack and offered Board Member training.

All strategic and policy decisions are made by the Board of Directors on recommendation from the following sub-committees: Engagement, Personnel and Finance. Operational decisions are delegated to the Managing Director/CEO and Artistic Director.

The Board of Directors have agreed to opt for a full statutory audit of the Annual Accounts, despite the applicable exemption under both the Companies Act and the Charities Act. This was done to provide greater transparency of the Board's financial governance as well as independent assurance of the financial viability of the Company.

Organisational structure

The Board and Leadership Team have increased organisational resilience by significantly developing a number of roles including Participation Director and Company Administrator. The Managing Director reduced from full time to four days per week and the CEO position is now shared jointly between the Leadership Team of Artistic Director and Managing Director. The Leadership Team is supported in strategic planning by the Production & Tour Director and Participation Director. Through the Annual Review process all team roles were reviewed, updated and salaries recalibrated to reflect necessary role developments.

M6 THEATRE COMPANY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

The Company requires all directors and employees to declare related party and other interests as they arise.

Transactions with related parties are disclosed in note 17 to the accounts.

Risk management

The Company regularly reviews its organisational Risk Assessment Framework. This process is integrated into the Business Planning cycle, led by the Board and involving sub committees and the Leadership Team identifying and quantifying the impact of the major potential risks which could impair the achievement of the Company's strategic objectives. The process also includes determining whether adequate controls are in place to manage or mitigate the exposure of the Company in relation to key financial and non-financial risks.

The most recent review highlights that the Company continues to successfully develop, capture and communicate its internal control procedures and systems to respond to significant risks as they emerge and identified the following aspects to be the principal areas of exposure for the Company:

- The impact of the Covid pandemic on going concern;
- The impact of national, regional and local policy changes on funding available to the Arts;
- The extent of dependence on key core staff members;
- The sufficiency of future funding to support the continuing delivery of the participatory programme;
- The cultural education challenge and engaging with schools

The Board and Leadership Team have implemented a range of strategies to manage these risks :

- Raising M6's profile regionally, nationally and internationally
- Prioritising organisational and staff development
- Developing a diversified strategic fundraising strategy and partnership development plan
- Developing a Schools Engagement Strategy and documenting and sharing skills, best practice and positive impact.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of M6 Theatre Company 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).

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;
- 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, Wyatt, Morris, Golland Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

M6 THEATRE COMPANY LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 28 September 2021 and signed on the board's behalf by:

S J Whitehead - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF M6 THEATRE COMPANY LIMITED

Opinion

We have audited the financial statements of M6 Theatre Company Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF M6 THEATRE COMPANY LIMITED

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

The extent to which the audit was considered capable of detecting irregularities including fraud.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of charities;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011 and Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where necessary and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
M6 THEATRE COMPANY LIMITED**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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

Wyatt, Morris, Golland Ltd
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Park House
200 Drake Street
Rochdale
Lancashire
OL16 1PJ

28 September 2021

M6 THEATRE COMPANY LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME FROM					
Donations and grants	2	306,365	118,574	424,939	546,921
Charitable activities	4				
Charitable activities		13,997	9,033	23,030	56,467
Investment income	3	81	-	81	79
Other income	5	41,283	-	41,283	54,800
Total		361,726	127,607	489,333	658,267
EXPENDITURE ON					
Charitable activities	6				
Charitable activities		-	-	-	-
Resources expended on charitable activities		327,492	132,553	460,045	484,453
Support costs		-	-	-	-
Total		327,492	132,553	460,045	484,453
NET INCOME/(EXPENDITURE)		34,234	(4,946)	29,288	173,814
Transfers between funds	17	11,700	(11,700)	-	-
Net movement in funds		45,934	(16,646)	29,288	173,814
RECONCILIATION OF FUNDS					
Total funds brought forward		236,773	205,963	442,736	268,922
TOTAL FUNDS CARRIED FORWARD		282,707	189,317	472,024	442,736

The notes form part of these financial statements

M6 THEATRE COMPANY LIMITED

**BALANCE SHEET
31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	13	36,773	131,487	168,260	184,919
CURRENT ASSETS					
Debtors	14	68,888	-	68,888	85,368
Cash at bank and in hand		221,197	57,830	279,027	249,733
		<u>290,085</u>	<u>57,830</u>	<u>347,915</u>	<u>335,101</u>
CREDITORS					
Amounts falling due within one year	15	(44,151)	-	(44,151)	(77,284)
NET CURRENT ASSETS		<u>245,934</u>	<u>57,830</u>	<u>303,764</u>	<u>257,817</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>282,707</u>	<u>189,317</u>	<u>472,024</u>	<u>442,736</u>
NET ASSETS		<u>282,707</u>	<u>189,317</u>	<u>472,024</u>	<u>442,736</u>
FUNDS	17				
Unrestricted funds				282,707	236,773
Restricted funds				189,317	205,963
TOTAL FUNDS				<u>472,024</u>	<u>442,736</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 28 September 2021 and were signed on its behalf by:

S J Whitehead - Trustee

N Gloudon - Trustee

The notes form part of these financial statements

M6 THEATRE COMPANY LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>68,580</u>	<u>247,182</u>
Net cash provided by operating activities		<u>68,580</u>	<u>247,182</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(40,367)	(154,697)
Sale of tangible fixed assets		1,000	2,703
Interest received		<u>81</u>	<u>79</u>
Net cash used in investing activities		<u>(39,286)</u>	<u>(151,915)</u>
Change in cash and cash equivalents in the reporting period		<u>29,294</u>	<u>95,267</u>
Cash and cash equivalents at the beginning of the reporting period		<u>249,733</u>	<u>154,466</u>
Cash and cash equivalents at the end of the reporting period		<u><u>279,027</u></u>	<u><u>249,733</u></u>

The notes form part of these financial statements

M6 THEATRE COMPANY LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	29,288	173,814
Adjustments for:		
Depreciation charges	55,510	27,026
Loss/(profit) on disposal of fixed assets	516	(1,657)
Interest received	(81)	(79)
Decrease in debtors	16,480	32,813
(Decrease)/increase in creditors	(33,133)	15,265
	<hr/>	<hr/>
Net cash provided by operations	68,580	247,182
	<hr/>	<hr/>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank and in hand	249,733	29,294	279,027
	<hr/>	<hr/>	<hr/>
	249,733	29,294	279,027
	<hr/>	<hr/>	<hr/>
Total	249,733	29,294	279,027
	<hr/>	<hr/>	<hr/>

M6 THEATRE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income is shown net of VAT

Theatre admission fees

Income from theatre admission fees is included in incoming resources in the period in which the relevant show takes place.

Donations and grants

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except as follows:-

- when donors specify that donations and grants given to the Company must be used in future accounting periods, the income is deferred until those periods.

- when donors impose conditions which have to be fulfilled before the Company becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, but these do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Gifts in kind

Goods and services received in kind are included within the financial statements where this can be quantified. No amounts are included in the financial statements for services donated by volunteers.

Interest receivable

Interest is included when receivable by the Company.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Allocation and apportionment of costs

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles	- 25% on reducing balance
Equipment	- 10% & 25% NBV and 25% straight line

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular 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 are funds set aside at the discretion of the directors out of unrestricted general funds and intended for specific future purposes or projects.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The scheme operated by the Company complies with the auto enrolment rules.

Government grant - covid 19

Government grants are recognised when there is reasonable assurance that the company will comply with the conditions attaching to the grant and the grant will be received.

Following the outbreak of the Covid-19 Pandemic the company furloughed members of staff and took advantage of the government job retention scheme. Grant income is accrued for in the period matching the period the wages were due for.

2. DONATIONS AND GRANTS

	2021 £	2020 £
Grants receivable	321,560	495,525
Gifts in kind	58,882	51,396
HMRC JRS grant	44,497	-
	<u>424,939</u>	<u>546,921</u>

The gift in kind relates to the use of M6 Theatre premises by the Company which is owned by RMBC. The value of the gift is determined by RMBC annually.

3. INVESTMENT INCOME

	2021 £	2020 £
Deposit account interest	81	79
	<u>81</u>	<u>79</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Fees and box office	23,030	56,422
Other income	-	45
	<u>23,030</u>	<u>56,467</u>

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

5. OTHER INCOME

	2021	2020
	£	£
Film/theatre tax relief receivable	41,283	54,800
	<u><u> </u></u>	<u><u> </u></u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Resources expended on charitable activities	453,511	6,534	460,045
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Staff costs	217,652	258,853
Marketing	9,962	15,871
Production fees	56,530	57,923
Tour costs	1,212	9,544
Sets and costumes	7,935	5,526
Administration	18,133	26,883
Asset costs	27,029	25,728
Freelance administration	150	1,830
Studio Theatre use	58,882	51,396
Depreciation	55,510	27,026
Surplus on disposal of fixed assets	516	(1,657)
	<u><u>453,511</u></u>	<u><u>478,923</u></u>

8. SUPPORT COSTS

	Governance costs £
Resources expended on charitable activities	6,534
	<u><u> </u></u>

Governance costs of £6,534 are made up of £1,710 audit and accounts preparation, £4,280 tax advice and payroll preparation and £544 bank charges.

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	1,710	1,080
Auditors' remuneration for non audit work	4,280	3,105
Depreciation - owned assets	55,510	27,026
(Deficit)/surplus on disposal of fixed assets	516	(1,657)
	<u><u> </u></u>	<u><u> </u></u>

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

11. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	197,416	234,531
Social security costs	13,124	10,388
Other pension costs	7,112	13,934
	<u>217,652</u>	<u>258,853</u>

Four key personnel received total emoluments of £152,498 during the year.

The average monthly number of employees during the year was as follows:

	2021	2020
	8	9
Management and administration staff	<u>8</u>	<u>9</u>

No employees received emoluments in excess of £60,000.

The full time equivalent number of staff is 6.6

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME FROM			
Donations and grants	260,717	286,204	546,921
Charitable activities			
Charitable activities	56,441	26	56,467
Investment income	79	-	79
Other income	54,800	-	54,800
	<u>372,037</u>	<u>286,230</u>	<u>658,267</u>
Total			
	372,037	286,230	658,267
EXPENDITURE ON			
Charitable activities			
Charitable activities	-	-	-
Resources expended on charitable activities	357,689	126,764	484,453
Support costs	-	-	-
	<u>357,689</u>	<u>126,764</u>	<u>484,453</u>
Total			
	357,689	126,764	484,453
NET INCOME	14,348	159,466	173,814
Transfers between funds	(16,993)	16,993	-
Net movement in funds	(2,645)	176,459	173,814

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	239,418	29,504	268,922
TOTAL FUNDS CARRIED FORWARD	<u>236,773</u>	<u>205,963</u>	<u>442,736</u>

13. TANGIBLE FIXED ASSETS

	Motor vehicles £	Equipment £	Totals £
COST			
At 1 April 2020	65,215	241,314	306,529
Additions	-	40,367	40,367
Disposals	(25,450)	-	(25,450)
At 31 March 2021	<u>39,765</u>	<u>281,681</u>	<u>321,446</u>
DEPRECIATION			
At 1 April 2020	26,130	95,480	121,610
Charge for year	8,593	46,917	55,510
Eliminated on disposal	(23,934)	-	(23,934)
At 31 March 2021	<u>10,789</u>	<u>142,397</u>	<u>153,186</u>
NET BOOK VALUE			
At 31 March 2021	<u>28,976</u>	<u>139,284</u>	<u>168,260</u>
At 31 March 2020	<u>39,085</u>	<u>145,834</u>	<u>184,919</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	1,974	1,326
Other debtors	5,373	51
Film/theatre tax relief	40,487	50,180
VAT	-	20,771
Prepayments	21,054	13,040
	<u>68,888</u>	<u>85,368</u>

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	466	1,074
Social security and other taxes	3,612	5,655
VAT	199	-
Accrued expenses	15,291	18,694
Deferred income	24,583	51,861
	<u>44,151</u>	<u>77,284</u>

Deferred income relates to income paid in advance for projects to be undertaken after the year end. The amount clears in the following financial year.

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases falling due as follows:-

	2018	2017
	£	£
Between one and five years	957	1,674

17. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	Transfers between funds	At 31.3.21
	£	£	£	£
Unrestricted funds				
General fund	145,781	35,226	11,700	192,707
Capital Replacement Fund - Van	992	(992)	-	-
Employment Fund	35,000	-	-	35,000
Engagement Fund	10,000	-	-	10,000
Asset Replacement Fund	45,000	-	-	45,000
	<u>236,773</u>	<u>34,234</u>	<u>11,700</u>	<u>282,707</u>
Restricted funds				
Capital Development Fund	4,707	(474)	-	4,233
RALP - Capital	4,179	(418)	-	3,761
AGMA - Capital	646	(646)	-	-
Participatory Projects	47,934	(11,004)	20,000	56,930
Aiming High Capital	148,497	(20,016)	(4,988)	123,493
5 Creative Ways To Wellbeing CCG	-	20,000	(20,000)	-
Tudor Trust Wellbeing	-	900	-	900
When We Started Singing	-	6,785	(6,785)	-
Homework Support Covid Emergency	-	(73)	73	-
	<u>205,963</u>	<u>(4,946)</u>	<u>(11,700)</u>	<u>189,317</u>
TOTAL FUNDS	<u>442,736</u>	<u>29,288</u>	<u>-</u>	<u>472,024</u>

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	361,726	(326,500)	35,226
Capital Replacement Fund - Van	-	(992)	(992)
	361,726	(327,492)	34,234
Restricted funds			
Capital Development Fund	-	(474)	(474)
RALP - Capital	-	(418)	(418)
AGMA - Capital	-	(646)	(646)
Participatory Projects	47,401	(58,405)	(11,004)
Aiming High Capital	23,265	(43,281)	(20,016)
5 Creative Ways To Wellbeing CCG	20,000	-	20,000
Tudor Trust Wellbeing	2,000	(1,100)	900
When We Started Singing	19,940	(13,155)	6,785
Homework Support Covid Emergency	15,001	(15,074)	(73)
	127,607	(132,553)	(4,946)
TOTAL FUNDS	489,333	(460,045)	29,288

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	148,095	5,667	(7,981)	145,781
Capital Replacement Fund - Van	1,323	(331)	-	992
Unrestricted Participatory Projects	-	9,012	(9,012)	-
Employment Fund	35,000	-	-	35,000
Engagement Fund	10,000	-	-	10,000
Asset Replacement Fund	45,000	-	-	45,000
	239,418	14,348	(16,993)	236,773
Restricted funds				
Capital Development Fund	5,230	(523)	-	4,707
RALP - Capital	4,643	(464)	-	4,179
AGMA - Capital	861	(215)	-	646
Participatory Projects	-	28,922	19,012	47,934
Aiming High Capital	17,901	125,608	4,988	148,497
BSBT Positive Pathways (Crossing The Line)	869	-	(869)	-
The Storm	-	(18,200)	18,200	-
5 Creative Ways To Wellbeing CCG	-	23,962	(23,962)	-
Grey Matters - Ambition For Ageing	-	376	(376)	-
	29,504	159,466	16,993	205,963
TOTAL FUNDS	268,922	173,814	-	442,736

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	363,025	(357,358)	5,667
Capital Replacement Fund - Van	-	(331)	(331)
Unrestricted Participatory Projects	9,012	-	9,012
	<u>372,037</u>	<u>(357,689)</u>	<u>14,348</u>
Restricted funds			
Capital Development Fund	-	(523)	(523)
RALP - Capital	-	(464)	(464)
AGMA - Capital	-	(215)	(215)
Participatory Projects	102,734	(73,812)	28,922
Aiming High Capital	141,969	(16,361)	125,608
Unlocking Voices	26	(26)	-
The Storm	14,501	(32,701)	(18,200)
5 Creative Ways To Wellbeing CCG	25,000	(1,038)	23,962
Grey Matters - Ambition For Ageing	2,000	(1,624)	376
	<u>286,230</u>	<u>(126,764)</u>	<u>159,466</u>
TOTAL FUNDS	<u>658,267</u>	<u>(484,453)</u>	<u>173,814</u>

RESERVES - RESTRICTED FUNDS

DEVELOPMENT FUND (FIXED ASSETS)

Relates to a grant received during 1996 for new equipment. The reserve is being written off at the same rate as the depreciation on the equipment purchased.

R.A.L.P. (FIXED ASSETS EQUIPMENT)

Capital items supporting the charity's relocation to the new Studio Theatre in 2004 funded by the Regional Arts Lottery Programme. The reserve is being written off at the same rate as the depreciation on the equipment purchased.

AGMA CONTINGENCY FUND 2010-11 (VAN)

Grant from AGMA to fund a touring van purchased in October 2010. The reserve has been fully written off during the year as the van has been sold.

PARTICIPATORY PROGRAMME

During 2019-20, M6's expanded participatory programme was funded by The Tudor Trust, Big Lottery Reaching Communities Fund in partnership with Rochdale Connections Trust, BBC Children In Need, Heywood, Middleton and Rochdale CCG and Barnardos to provide regular out-of-hours participatory drama based workshops for young people to build confidence, life and theatre skills through engagement in positive social activities, culminating in theatre productions shared with local community.

AIMING HIGH ACE CAPITAL GRANT

Key investment from Arts Council England to support M6's strategic ambitions regarding technical touring equipment, digital infrastructure developments and increased accessibility. Investment commenced in 2019 and was completed by the end of March 2021. M6 is match funding from designated asset replacement reserves and RMBC are contributing in-kind support. The balance represents Arts Council income for capital expenditure to date, net of depreciation

BSBT POSITIVE PATHWAYS (CROSSING THE LINE)

M6 THEATRE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

17. MOVEMENT IN FUNDS - continued

During 2018-19, funding from The Home Office, Building a Stronger Britain Together Programme supported the creation and delivery of a powerful new Monologue and interactive workshop exploring contemporary themes of identity, belonging and exploitation. The tour was designed to develop discernment, increased understanding and personal resilience for young participants aged 13+. During 2019-20 a new film and digital education resource of Crossing The Line was disseminated in Summer 2019 to extend reach and resonance.

UNLOCKING VOICES

During 2019-20, M6's participatory programme included a range of Unlocking Voices projects, funded by various grants from RMBC Children Services and augmented by The Home Office BSBT funds. Funding supported the creation of a range of empowering film-based outreach projects identified young beneficiaries living in Rochdale Borough. Augmented by accompanying education packs these contemporary digital resources created by young people are hosted on Rochdale Borough's Safeguarding Children's Board website for use by educationalists and youth support agencies to support local Safeguarding and PSHE aims, exploring a range of relevant issues and signposting to further support and advice.

5 CREATIVE WAYS TO WELLBEING

Funded by Heywood, Middleton and Rochdale CCG, as well as signposting to cultural activity opportunities Borough-wide, M6 Theatre co-developed and delivered 4 strands of creative interventions, all designed to improve the wellbeing of children, young people and their families. The content and form of these targeted early interventions are designed to support participants to 1. Be Active, 2. Connect, 3. Learn, 4. Be Mindful and 5. Give.

GREY MATTERS - AMBITION FOR AGEING

During 2019-20 Funded by Ambition For Ageing, M6's Grey Matters project built new relationships with the elderly residents and workers of two Care Homes in Rochdale Borough. Through specially designed creative workshop sessions using the themes from two M6 theatre productions - superheroes (Mission Save The World!) and the weather (The Storm) our skilled practitioner unlocked the creative potential of 10 participants. From this initial facilitated work on their own premises, 6 residents built enough confidence to leave the care home to attend a special free community performance at M6 Studio Theatre along with local families.

RESERVES - UNRESTRICTED FUNDS

CAPITAL REPLACEMENT FUND

This was set up by the Directors in 2008 and augmented in 2009 to build up the necessary funding to replace the touring van at the end of its useful life. A new van was purchased in 2010-11 partly funded by a grant from AGMA (see above restricted fund). The fund was fully written off during the year as the van was sold.

EMPLOYMENT FUND

This fund was set up by the Directors in March 2016 to support the organisational priorities of increasing the diversity of freelance artists and facilitators, talent development and staffing expansion plans as required.

ENGAGEMENT FUND

This fund was set up by the Directors in March 2016 to help reduce the barriers to engagement for audiences and participants from under represented communities. This includes funds to address the cultural education challenge in schools including the development of a Rochdale Cultural Education Partnership.

ASSET REPLACEMENT FUND

This fund was set up by the Directors in 2016 to build up the necessary funding to replace and enhance M6's theatre equipment, IT systems, website and touring van as required to achieve our highest quality experience ambition and environmental sustainability objective of lower carbon footprint.

PARTICIPATORY PROJECTS

This fund was set up by the Directors in March 2017 to support organisational sustainability and build up the necessary match funding for the continuation of M6's expanded participatory programme. Movement in the year provides the funding necessary to deliver part of the 2021-22 programme.

Transfers between funds

Inter-fund transfers allocate discretionary Board-approved designations, contribute funds to specific projects to fully offset costs and/or allocate staff costs to specific projects.

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

17. MOVEMENT IN FUNDS - continued

Transfers between funds - continued

During the year ended 31 March 2020 a temporary transfer amounting to £4,988 was made from general funds to the restricted Aiming High fund to cover expenditure out of general funds made in excess of grants received pre year end. This transfer was reversed in year ended 31 March 2021 when additional grant income was received.

18. RELATED PARTY DISCLOSURES

The value of transactions, with persons connected to M6 staff, incurred during the year, at market value or under, amounted to £13,963. Three members of the board of trustees are employed by RMBC, a grant in-kind provider. There were no other related party transactions for the year ended 31 March 2021.

M6 THEATRE COMPANY LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
INCOME		
Donations and grants		
Grants receivable	321,560	495,525
Gifts in kind	58,882	51,396
HMRC JRS grant	44,497	-
	<hr/> 424,939	<hr/> 546,921
Investment income		
Deposit account interest	81	79
Charitable activities		
Fees and box office	23,030	56,422
Other income	-	45
	<hr/> 23,030	<hr/> 56,467
Other income		
Film/theatre tax relief receivable	41,283	54,800
	<hr/> 489,333	<hr/> 658,267
Total incoming resources		
EXPENDITURE		
Charitable activities		
Wages	197,416	234,531
Social security	13,124	10,388
Pensions	7,112	13,934
Marketing	9,962	15,871
Production fees	56,530	57,923
Tour costs	1,212	9,544
Sets and costumes	7,935	5,526
Administration	18,133	26,883
Asset costs	27,029	25,728
Freelance administration	150	1,830
Studio Theatre use	58,882	51,396
Depreciation	55,510	27,026
Loss/(profit) on sale of assets	516	(1,657)
	<hr/> 453,511	<hr/> 478,923
Support costs		
Management		
Board meetings	-	1,073
Governance costs		
Auditors' remuneration	1,710	1,080
Auditors' remuneration for non audit work	4,280	3,105
Bank charges	544	272
	<hr/> 6,534	<hr/> 4,457
Total resources expended	<hr/> 460,045	<hr/> 484,453
Net income	<hr/> <hr/> 29,288	<hr/> <hr/> 173,814

This page does not form part of the statutory financial statements