

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

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

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M6 THEATRE COMPANY LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2022**

TRUSTEES

S J Whitehead
R Parker
M Gott
A Jackson
F Fogarty
J Welsby
N Gloudon
N Akhtar
S J De Courcey
R L McBride
M Abdulaleem

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

**REPORT OF THE TRUSTEES
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 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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT

Achievement and performance

THE DIFFERENCE WE MADE 2021/2022

Keeping each other safe, sharing and surviving have been paramount priorities for the M6 team during the past year.

We responded with agility to lockdowns and last minute covid cancellations whilst nurturing the first shoots of recovery post pandemic wholeheartedly.

We were vigilant and took the extra care necessary to keep our teams and audiences safe physically and emotionally. The additional time, resource and cost has paid huge dividends in terms of flourishing relationships with artists, partners and audiences.

We recommitted to prioritising children, young people and families living in Rochdale and playing a key role developing a local cultural community with our partners, alongside maintaining our national profile and vital place in the Theatre for Young Audiences ecology.

Our heart-warming productions have been enthusiastically applauded in local schools by teachers and children who have missed out on critical shared experiences, a beautiful silver lining in these uncertain times.

Our key theatre venue partners valued our work that moved, inspired and rewarded audiences of all ages for their commitment to the live theatre experience, encouraging the tentative steps of theatre-goers, re-emerging to public performances.

We welcomed children back to our Studio Theatre and the building once again buzzed with the energy of our youth theatre groups as friends were reunited and new stories created. Our amazing, vibrant young people bravely stepped back in the studio to reconnect after months of isolation, much to the delight of their parents and carers.

We worked hard to achieve our aims:

- Making ambitious, original theatre with for and by children and young people that is engaging, multi-layered, and nurtures empathy, respect and emotional literacy.
- Ensuring our work reaches and is relevant to our local community and under-served audiences in areas of low arts engagement and multiple deprivations.
- Building on our 45 year track record, using theatre as a tool for positive change that unlocks the potential of children and young people and responds to the challenges of living in contemporary Britain and the modern world.
- Championing diversity and nurturing creative talent, especially under-represented artists and diverse new voices.
- Expanding our reach and impact by listening to and respectfully learning from a range of collaborative partners, children and adult experts.
- Using our position to address the biggest challenges of our time: environmental responsibility, cultural education and equality.

This report captures and shares the output and impact of the past year but none of this could have been achieved without the amazing, people we work with. We thank our dedicated and highly skilled freelance artists, core staff, board members, partners and funders for their resilience, adaptability and commitment.

As we move forward, in Rochdale Borough, at a time of enormous economic challenges for local families, we pledge to play our part in maximising the potential of Priority Place investment and partnerships to collectively make a positive difference to the lives of local children and young people through excellent creative engagement.

OUR YEAR IN NUMBERS

- 3 productions toured
- 1 Christmas residency
- 193 performances across the UK
- 5 youth theatre films
- 32 paid opportunities for freelancers
- 9,332 live audience members
- 10,645 online audience members
- 32 arts awards achieved
- 60 Speech Bubbles participants
- 36 schools engaged
- 83 youth theatre and outreach participants
- 952 children participated in Linking Schools

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

BENEFICIARY FEEDBACK

"A truly exceptional organisation" PYA UK

"I stopped worrying and I worry a lot. I just had fun with other children which was nice. I like these people; they are like my best friends." Everything is Connected Participant

"Keep up your amazing work. It really is such a bonus to have M6 so near" Margaret Farrell, Belfield Community School

"Genuis! Truly magical" Audience Member (Mavis Sparkle)

"Fail to engage (three and four-year-olds) for even a second and you've lost them completely. It is a real art - as M6 demonstrated with aplomb last weekend."

Lyn Gardner, The Stage (Pebble on the Beach)

"M6 have a wonderful way of making the children feel seen and heard" Erica Field, Early Help in Schools, Rochdale

"Our children have never encountered live theatre and to watch their faces and hear their laughter was fantastic! Thank you for keeping your prices low so that we can access these amazing performances" Lisa Subachus, Crumpsall Lane Primary School

"Always such a pleasure to have M6 in the building. We had lots of families in today who have never been to The North Wall and the response has been wonderfully positive." Ria Parry, Co-Director, The North Wall

HIGHLIGHTS

Despite uncertainty around Covid and lockdowns, we managed to safely tour Pebble on the Beach (in association with The North Wall), transporting audiences to an unforgettable day at the seaside. Our pilot toured into schools during spring 2021, followed by a national tour in the autumn. Venues included The Egg, Theatre Royal Bath, Lakeside Arts and Octagon Theatre Bolton. We also hosted community performances at M6 Studio including shows for cared for children and foster families.

Our magical Mavis Sparkle took to the road once again for a national tour followed by a 2 ½ week Christmas residency at The Hullabaloo, Darlington (including two BSL interpreted performances). Mavis performed under Luke Jerram's moon at Grimsby Cathedral and under the earth as part of the Gaia events at Number One Riverside. A truly cosmic tour!

Children from culturally different backgrounds in 20 Rochdale primary schools came to M6 Studio to watch Mavis Sparkle and take part in workshops as part of the Linking Schools project. Working hard to safely mitigate covid risks, Rochdale was the only place in the country to hold face to face neutral venue visits during 2021.

We launched a brand-new film version of The Storm with accompanying educational resource for Years 7s across Greater Manchester. A live performance was remounted as part of Gaia and the Youth Climate Summit which unfortunately had to be cancelled. We were, however, able to embark on a 2-week tour of local schools. This single voice play confronts issues surrounding climate change.

The National Linking Network offered Bird Behaviour, one of the winning entries in M6's lockdown monologue writing competition, to schools in 28 geographic areas.

We continued to deliver Speech Bubbles in three local primary schools. This drama-based programme supports children in KS1 to develop their communication skills. Teachers noticed improvements back in class in 90% of the children.

Working in partnership with Barnardo's, we supported young people living with a disability label to participate in our Act to Shine youth theatre group. Working with professional filmmakers, a short film about understanding difference was created and shared with friends and family. This project was granted a further three years of Children in Need funding.

Four diverse Youth Theatre groups continued to work in person at M6, devising original films which were shared online with friends and family. The groups later started developing three new live productions alongside a show for NT Connections.

We continued to work with Proud and Loud Arts and Chrissy Jones, an emerging learning-disabled artist, to develop Shadow Girl, touring in 2022.

Using The Storm as a creative starting point to discuss environmental issues, a group of young people took part in Everything is Connected, a climate action and wellbeing project for ages 13+. In partnership with Healthy Young Minds, the group produced two pieces of creative work.

Women of Rochdale took part in a summer workshop project in partnership with Community Arts Northwest and Kashmiri Youth Project. These leadership and empowerment sessions encouraged local young women to use their voices to affect positive change.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

Our participatory team worked with Alice Ingham Year 4s on their Discover Arts Awards, learning about life backstage in the theatre. This included two workshops at M6 Studio.

We continued to support other artists/companies and talent including Parvez Qadir and the Crossing the Line project. We provided in kind support to Ergon Theatre and Beggar's Belief and provided a member of our Barnardo's Act to Shine group with work experience at M6. She is now going on to study drama at college.

FUTURE PLANS

Alongside a full participation programme for children and young people aged 8 to 18, M6 plan to mount the following theatre productions in 2023:

Nest Ages 3+

A bird's eye view of the things that matter. Touring to schools in summer 2023 and to national venues in the autumn.

Street Where I Live Ages 4+

Granny Bradshaw shares the warmth and friendship of the street where she lives. Touring to Rochdale schools and community settings in spring 2023.

The Incident

A new Curriculum for Life piece for secondary aged pupils looking at themes of consent and misogyny.

The scale of M6 delivery beyond 2023 is dependent upon the outcome of our Arts Council National Portfolio Organisation application in October 2022.

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 2022, the Company's financial activities resulted in a net inflow of unrestricted funds of £104,288 and net outflow of restricted funds of £80,522, creating an in-year surplus of £23,766.

Details of these funds are shown in note 17 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 2022, the Company has designated reserves for future capital assets replacements of £55,000. This represents a net increase from the previous year end of £10,000.

Also as at 31 March 2022, the Company has designated reserves for employment costs of £55,000, schools engagement initiatives of £30,000 and transition and sustainability fund of £30,000 for use in 2022-23 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 £170,000 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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

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 furloughed 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.

Balanced risk and future plans

M6's Activity Plan FY23 builds on the strong developments made in FY22, recognises the value and necessity of M6 team continuity and balances operational/financial risk.

Our budget for FY23 includes new revenue streams and sufficient 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 FY23 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.
- Co-creating and sharing excellent original professional theatre productions for children, young people and families locally and nationally
- Presenting a year-long multi-strand Participation Programme of four youth theatres, creative outreach projects, skills sharing, 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 forums.

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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

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 the Company Administrator role and the Leadership Team of Managing Director & Artistic Director currently share the CEO position.

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. The Board and team have worked together to develop a robust succession and transition plan for the planned retirement of the Managing Director in 2023, including an organisational restructure, refined roles and additional skills and resources to ensure organisational sustainability during a period of significant change.

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 18 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).

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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.

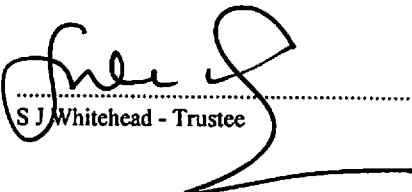
In so far as the trustees are aware:

- 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.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 28/09/22 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 2022 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 2022 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

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.

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

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



Date: 28 September 2022

M6 THEATRE COMPANY LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME FROM					
Donations and grants	2	364,101	43,393	407,494	424,939
Charitable activities					
Charitable activities		64,520	4,012	68,532	23,030
Investment income	3	78	-	78	81
Other income	5	100,000	-	100,000	41,283
Total		<u>528,699</u>	<u>47,405</u>	<u>576,104</u>	<u>489,333</u>
EXPENDITURE ON					
Charitable activities	6				
Resources expended on charitable activities		426,434	125,904	552,338	460,045
Support costs		-	-	-	-
Total		<u>426,434</u>	<u>125,904</u>	<u>552,338</u>	<u>460,045</u>
NET INCOME/(EXPENDITURE)		102,265	(78,499)	23,766	29,288
Transfers between funds	17	2,023	(2,023)	-	-
Net movement in funds		104,288	(80,522)	23,766	29,288
RECONCILIATION OF FUNDS					
Total funds brought forward		282,707	189,317	472,024	442,736
TOTAL FUNDS CARRIED FORWARD		<u>386,995</u>	<u>108,795</u>	<u>495,790</u>	<u>472,024</u>

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	29,620	84,438	114,058	168,260
CURRENT ASSETS					
Debtors	14	115,850	-	115,850	68,888
Cash at bank and in hand		263,272	24,357	287,629	279,027
		<u>379,122</u>	<u>24,357</u>	<u>403,479</u>	<u>347,915</u>
CREDITORS					
Amounts falling due within one year	15	(21,747)	-	(21,747)	(44,151)
NET CURRENT ASSETS		<u>357,375</u>	<u>24,357</u>	<u>381,732</u>	<u>303,764</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>386,995</u>	<u>108,795</u>	<u>495,790</u>	<u>472,024</u>
NET ASSETS		<u>386,995</u>	<u>108,795</u>	<u>495,790</u>	<u>472,024</u>
FUNDS	17				
Unrestricted funds				386,995	282,707
Restricted funds				108,795	189,317
TOTAL FUNDS				<u>495,790</u>	<u>472,024</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

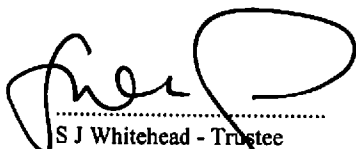
The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

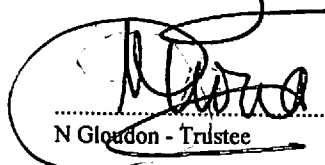
The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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 28/09/22 and were signed on its behalf by:


S J Whitehead - Trustee


N Glendon - Trustee

M6 THEATRE COMPANY LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	10,687	68,580
Net cash provided by operating activities		<u>10,687</u>	<u>68,580</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,163)	(40,367)
Sale of tangible fixed assets		-	1,000
Interest received		78	81
Net cash used in investing activities		<u>(2,085)</u>	<u>(39,286)</u>
Change in cash and cash equivalents in the reporting period		<u>8,602</u>	<u>29,294</u>
Cash and cash equivalents at the beginning of the reporting period		<u>279,027</u>	<u>249,733</u>
Cash and cash equivalents at the end of the reporting period		<u><u>287,629</u></u>	<u><u>279,027</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 2022**

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

	2022	2021
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	23,766	29,288
Adjustments for:		
Depreciation charges	56,365	55,510
Loss on disposal of fixed assets	-	516
Interest received	(78)	(81)
(Increase)/decrease in debtors	(46,962)	16,480
Decrease in creditors	(22,404)	(33,133)
	<u>10,687</u>	<u>68,580</u>
Net cash provided by operations	<u>10,687</u>	<u>68,580</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21	Cash flow	At 31.3.22
	£	£	£
Net cash			
Cash at bank and in hand	279,027	8,602	287,629
	<u>279,027</u>	<u>8,602</u>	<u>287,629</u>
Total	<u>279,027</u>	<u>8,602</u>	<u>287,629</u>

M6 THEATRE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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 2022

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

	2022	2021
	£	£
Grants receivable	325,546	321,560
Gifts in kind	54,286	58,882
HMRC JRS grant	27,662	44,497
	<u>407,494</u>	<u>424,939</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

	2022	2021
	£	£
Deposit account interest	78	81
	<u>78</u>	<u>81</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Fees and box office	Charitable activities	68,532	23,030
		<u>68,532</u>	<u>23,030</u>

5. OTHER INCOME

	2022	2021
	£	£
Film/theatre tax relief receivable	100,000	41,283
	<u>100,000</u>	<u>41,283</u>

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Resources expended on charitable activities	<u>545,961</u>	<u>6,377</u>	<u>552,338</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Staff costs	291,149	217,652
Marketing	13,509	9,962
Production fees	46,460	56,530
Tour costs	23,105	1,212
Sets and costumes	18,168	7,935
Administration	19,515	18,133
Asset costs	22,623	27,029
Freelance administration	781	150
Studio Theatre use	54,286	58,882
Depreciation	56,365	55,510
Surplus on disposal of fixed assets	-	516
	<u>545,961</u>	<u>453,511</u>

8. SUPPORT COSTS

	Governance costs £
Resources expended on charitable activities	<u>6,377</u>

Governance costs of £6,377 are made up of £1,800 audit and £4,035 accounts preparation and £542 bank charges.

9. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Auditors' remuneration	1,800	1,710
Auditors' remuneration for non audit work	4,035	4,280
Depreciation - owned assets	56,365	55,510
Deficit on disposal of fixed assets	-	516
	<u>62,500</u>	<u>61,816</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

11. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	263,411	197,416
Social security costs	14,853	13,124
Other pension costs	12,885	7,112
	<u>291,149</u>	<u>217,652</u>

Four key personnel received total emoluments of £155,915 during the year.

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

	2022	2021
Management and administration staff	<u>9</u>	<u>8</u>

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

The full time equivalent number of staff is 9.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME FROM			
Donations and grants	306,365	118,574	424,939
Charitable activities			
Charitable activities	13,997	9,033	23,030
Investment income	81	-	81
Other income	41,283	-	41,283
Total	<u>361,726</u>	<u>127,607</u>	<u>489,333</u>
EXPENDITURE ON			
Charitable activities			
Resources expended on charitable activities	327,492	132,553	460,045
Support costs	-	-	-
Total	<u>327,492</u>	<u>132,553</u>	<u>460,045</u>
NET INCOME/(EXPENDITURE)	34,234	(4,946)	29,288
Transfers between funds	11,700	(11,700)	-
Net movement in funds	45,934	(16,646)	29,288
RECONCILIATION OF FUNDS			
Total funds brought forward	236,773	205,963	442,736
TOTAL FUNDS CARRIED FORWARD	<u><u>282,707</u></u>	<u><u>189,317</u></u>	<u><u>472,024</u></u>

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

13. TANGIBLE FIXED ASSETS

	Motor vehicles £	Equipment £	Totals £
COST			
At 1 April 2021	39,765	281,681	321,446
Additions	-	2,163	2,163
At 31 March 2022	39,765	283,844	323,609
DEPRECIATION			
At 1 April 2021	10,789	142,397	153,186
Charge for year	7,563	48,802	56,365
At 31 March 2022	18,352	191,199	209,551
NET BOOK VALUE			
At 31 March 2022	21,413	92,645	114,058
At 31 March 2021	28,976	139,284	168,260

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	10,130	1,974
Other debtors	-	5,373
Film/theatre tax relief	100,000	40,487
Prepayments	5,720	21,054
	115,850	68,888

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	1,389	466
Social security and other taxes	4,026	3,612
VAT	2,630	199
Accrued expenses	7,035	15,291
Deferred income	6,667	24,583
	21,747	44,151

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:-

	2022 £	2021 £
Between one and five years	5,800	935

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

17. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	282,707	102,265	2,023	386,995
Restricted funds				
Capital Development Fund	4,233	(423)	-	3,810
RALP - Capital	3,761	(376)	-	3,385
Participatory Projects	56,930	(38,573)	5,200	23,557
Aiming High Capital	123,493	(46,250)	-	77,243
The Storm	-	2,023	(2,023)	-
Tudor Trust Wellbeing	900	(100)	-	800
Everything is connected	-	5,200	(5,200)	-
	<u>189,317</u>	<u>(78,499)</u>	<u>(2,023)</u>	<u>108,795</u>
TOTAL FUNDS	<u>472,024</u>	<u>23,766</u>	<u>-</u>	<u>495,790</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	528,699	(426,434)	102,265
Restricted funds			
Capital Development Fund	-	(423)	(423)
RALP - Capital	-	(376)	(376)
Participatory Projects	32,954	(71,527)	(38,573)
Aiming High Capital	-	(46,250)	(46,250)
The Storm	8,251	(6,228)	2,023
Tudor Trust Wellbeing	-	(100)	(100)
Everything is connected	6,200	(1,000)	5,200
	<u>47,405</u>	<u>(125,904)</u>	<u>(78,499)</u>
TOTAL FUNDS	<u>576,104</u>	<u>(552,338)</u>	<u>23,766</u>

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

17. MOVEMENT IN FUNDS - continued

Comparatives for 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>

Comparative 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)
	<u>361,726</u>	<u>(327,492)</u>	<u>34,234</u>
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)
	<u>127,607</u>	<u>(132,553)</u>	<u>(4,946)</u>
TOTAL FUNDS	<u>489,333</u>	<u>(460,045)</u>	<u>29,288</u>

RESERVES - RESTRICTED FUNDS

CAPITAL DEVELOPMENT FUND

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.

M6 THEATRE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

17. MOVEMENT IN FUNDS - continued

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.

PARTICIPATORY PROGRAMME

M6's annual participatory programme in 2021-22 was funded by a range of small grants including BBC Children In Need; Heywood, Middleton and Rochdale CCG (Creative Ways to Wellbeing) and Barnardo's to signpost to cultural activity opportunities Borough-wide and co-develop and deliver 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. and provide regular out-of-hours participatory drama based workshops for children and young people to build confidence, life and theatre skills through engagement in positive social activities, culminating in theatre productions & films 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

THE STORM

Funding from Link4Life to support a short tour of The Storm to Rochdale secondary schools supporting the Rochdale Youth Climate Summit in November 2021.

TUDOR TRUST WELLBEING

Grant to support the wellbeing of M6 team during the pandemic, lockdown and recovery periods.

EVERYTHING IS CONNECTED

An environmental youth empowerment project in partnership in 2021-22 with Healthy Young Minds Rochdale funded by Pennine Care and Rochdale's Children & Young People's Innovation Fund.

RESERVES - UNRESTRICTED FUNDS

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. The fund was augmented in 2022 for planned expansion due to demand in 2024 and beyond.

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 Local Cultural Education Partnership (LCEP) and has been augmented in 2022 to support local priority place developments in 2023 and beyond.

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. The fund has been augmented in 2022 to ensure we have the match funding level necessary for significant investment in 2024 and beyond to realise our green ambitions.

M6 THEATRE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

17. MOVEMENT IN FUNDS - continued

TRANSITION AND SUSTAINABILITY FUND

This fund was set up by the Directors in March 2022 to support organisational sustainability during the transition of leadership and team expansion in 2023 and 2024.

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.

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 £8,242. 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 2022.

19. DESIGNATED FUNDS

Included within unrestricted general funds are the following designated funds as determined by the board of trustees :-

	01/04/21	Movement in year	31/03/22
	£	£	£
Designated Employment Fund	35,000	20,000	55,000
Designated Engagement Fund	10,000	20,000	30,000
Designated Transition & Sustainability Fund	0	30,000	30,000
Designated Asset Replacement Fund	45,000	10,000	55,000
	<u>90,000</u>	<u>80,000</u>	<u>170,000</u>