

THE GRAEAE THEATRE COMPANY LIMITED

England & Wales · Charity number 284589

Details

Other names	GRAEAE
Status	Registered
Legal form	Charitable company
Company number	01619794
Registered	1982-04-24
Register	View on the Charity Commission register

Contact

Address	Bradbury Studios 138 Kingsland Road London E2 8DY
Phone	02076136900
Email	info@graeae.org
Website	www.graeae.org

Activities

Objects: TO PROMOTE, MAINTAIN, IMPROVE AND ADVANCE EDUCATION, PARTICULARLY BY THE PRODUCTION OF EDUCATIONAL PLAYS AND THE ENCOURAGEMENT OF THE ARTS INCLUDING THE ARTS OF DRAMA, OPERA, OPERETTA, JANCE, BALLET, MUSIC, SINGING, LITERATURE, POETRY, SCULPTURE, PAINTING, MIME AND PUPPETRY.

Activities: Graeae is a disabled-led theatre company that profiles the skills of disabled actors, writers and directors. The artistic approach creates aesthetically accessible productions that include a disabled and non-disabled audience. The company has built an enviable reputation for producing thrilling and innovative work, particularly built around the creative use of sign language and audio description.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** Education/training, Disability, Arts/culture/heritage/science
- **Who:** People With Disabilities, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,571,276	£1,474,328	£2,589,682	18
2024-03-31	£1,338,023	£1,424,987	£2,492,734	17
2023-03-31	£1,396,163	£1,724,808	£2,579,698	19
2022-03-31	£1,479,921	£1,572,975	£2,908,343	18
2021-03-31	£1,620,132	£1,099,423	£3,001,397	15

Trustees

Name	Role	Appointed
Tom Ryalls	Chair	2025-06-02
Ayzah Ahmed		2023-08-02
Deborah Barugh Rees		2022-09-05
Dr Jessica Margaret Parrott		2020-03-02
Hannah Barham Brown		2025-06-02
Lisa Oguntoyinbo		2021-05-04
Nathan Crossan-Smith		2021-12-06
Robin Steven Cantrill-Fenwick		2023-09-19
Sharon Marshall		2018-01-16
Wing Hon Anthony Lee		2021-12-06

THE GRAEAE THEATRE COMPANY LIMITED

England & Wales - Charity number 284589

Accounts

GRAEAE THEATRE COMPANY LIMITED (THE)

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2025

COMPANY REGISTRATION NUMBER: 01619794

CHARITY REGISTRATION NUMBER: 284589

GRAEae
THEATRE COMPANY

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The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2025

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

The report has been prepared in accordance with the Charities Act 2011 and is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 22-24 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

For the purpose of determining disclosure requirements the charity is classified as:

- a larger charity (having income over £500,000)
- a small company (fewer than 50 employees, turnover less than £10.2million).

Reference and administrative details

<u>Charity number</u>	284589
<u>Company number</u>	01619794
<u>Registered office</u>	Bradbury Studios, 138 Kingsland Road, London E2 8DY
<u>Directors and Trustees</u>	

The directors of the charity are its Trustees for the purpose of charity law. The Trustees who served during the year and since the year-end are as follows:

Samantha Tatlow	Chair, resigned 12 December 2024
Sharon Marshall	Resigned 2 December 2024
Jessi Parrott	Acting Chair from 12 December 2024 to 2 June 2025, then Vice-Chair
Lisa Oguntinyinbo	
Nathan Crossan-Smith	
Anthony Lee	
Andrea Walter	Resigned 19 November 2024
Deborah Rees	
Ayzah Ahmed	
Robin Cantrill Fenwick	
Tom Ryalls	Chair, Appointed 2 June 2025
Hannah Barham-Brown	Vice Chair, Appointed 2 June 2025

Throughout this report the word "Trustees" refers to the individuals and the word "Board" refers to the Trustees acting as a body.

<u>Secretary</u>	Elizabeth Luxford
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<u>Joint Chief Executive Officer and Artistic Director</u>	Jenny Sealey, OBE
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<u>Joint Chief Executive Officer and Executive Director</u>	Kevin Walsh
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<u>Auditor</u>	Buzzacott Audit LLP, 130 Wood Street, London EC2V 6DL
<u>Bankers</u>	CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ

Report of the Trustees for the year ended 31 March 2025

Structure, governance and management

Governing document

The charity is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 10 December 1981 and updated in December 2011. There are currently nine members, each of whom agrees to contribute £1 in the event of the charity being wound up.

Appointment of Trustees

As set out in the Articles of Association, the Board may at any time appoint any member of the company as a member of the Board, subject to a maximum of twelve members. Any member so appointed retains his/her office until the next Annual General Meeting and is then eligible for re-election. At each Annual General Meeting one-third of the members who have been longest in office retire. All retiring members are eligible for re-election subject to the limits to terms of office set out in the Articles of Association. The charity aims for a Board where 50% or more of the Trustees identify as Deaf, disabled and neurodivergent (currently 67%).

Regular skills' audits are carried out and, when considering appointing new Trustees, the Board has regard to the requirement for any additional specialist skills needed.

Trustee induction and training

New Trustees are provided with an information pack to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the business plan and the recent financial performance of the charity. Trustees are encouraged to attend training courses about the responsibilities of being a trustee at a venue and time convenient to them. Trustees are also encouraged to visit the charity's office to meet employees and other Trustees outside the formal meetings. Trustees' Away Days are held from time to time so that the company's key aims and objectives can be discussed and reviewed. Trustees are also encouraged to attend productions and appropriate in-house training events.

Organisation

The Board meets, at least quarterly, to manage the affairs of the company. Four Trustees must be present for the meeting to be quorate. Since the COVID19 pandemic, meetings have been in a hybrid of Zoom conferencing software and in-person meetings. To aid accessibility meetings are shorter, with more breaks, captioned, BSL interpreted and recorded.

There is also a Finance and General Purposes sub-committee which meets up to four times a year. The purpose of the committee is to provide a greater level of scrutiny of, and support to, company officers with a responsibility for financial management. During the capital project there was also a Capital sub-committee who met twice during the year and were provided with a more in depth update on progress of the project.

The Board has adopted the NCVO Charity Governance Code. This has fed into the formation of Graeae's Governance Policy and Protocols which was formally adopted on 5 March 2023. The policy includes Board role descriptions, person specification and a scheme of delegation of Board authority.

The Joint Chief Executive Officers are appointed by the Board to manage the day to day operations of the charity.

To facilitate effective operations, the Joint CEOs delegate authority, in line with the Board's scheme of delegation, for operational matters including finance, employment, fundraising, and the artistic, training and educational output of the charity.

The key management personnel for the period covered by this report are:

- the Trustees, who are not paid, and
- the Joint CEOs and the Finance Director, whose remuneration is set by the Board, with reference to market rates for the theatre and charity sectors.

Other charities and related parties

The charity does not have any subsidiary undertakings. The charity collaborates from time to time with other organisations, particularly in the theatre sector, that may also be charities but does not have any formal long term arrangement with any other charity except in relation to grants received for specific activities.

Report of the Trustees for the year ended 31 March 2025

Public benefit

The objects of the charity, as set out in the Articles of Association, are to promote, maintain, improve and advance education, particularly by the production of educational plays and the encouragement of the Arts including the arts of drama, opera, operetta, dance, ballet, music, singing, literature, poetry, sculpture, painting, mime and puppetry.

The charity's particular purpose as a touring theatre company is to develop and promote disabled-led accessible theatre for a wide-ranging audience. The charity's main activities undertaken to further its purpose are theatrical productions and training, education and learning activities.

The Board has given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under section 17 of the Charities Act 2011 when reviewing the charity's aims and objectives and in planning future activities. The Board considers that all of the charity's objectives deliver benefit to the public, as explained below.

Objectives and activities

Graeae's vision is to create world-class accessible theatre, which breaks down barriers, challenges ableist preconceptions and places Deaf, Disabled and neurodivergent* artists centre stage (*hereon referred to as Disabled artists).

Graeae's mission is to ignite artistic curiosity, pioneer a radical dramatic language, and champion accessibility. We do this by providing a diversity of platforms for new generations of artists, locally, nationally and internationally, through the creation of trail-blazing theatre.

Graeae is a disabled-led human rights company, founded on the need to tackle social injustice, discrimination and exclusion. It is fuelled by the pursuit of inclusion and artistic excellence and champions disabled people in the arts.

The company's strategic aims are to:

- **Create world-class theatre:** produce and tour high quality, high impact theatre that is unmistakably Graeae's, providing a platform for the skill and excellence of Disabled artists.
- **Find new audiences:** for Graeae and for the wider industry. Ensure the work has a lasting impact across England, unleashing creativity in regions and communities, working with groups that have little access to art and culture and on a variety of platforms.
- **Champion accessibility:** through partnerships with national and international organisations creating, supporting and advising on accessible environments and practice.
- **Nurture talent:** work with national partners to open up the arts for Disabled artists at all experience levels. Create new environments for theatre-makers to thrive and build independence.
- Promote **excellent governance** and leadership across the company, the theatre sector and other businesses. Open up routes to leadership roles for those that have been denied them.
- **Explore new creative horizons:** by scrutinising our practice and by representing a greater diversity of voices on stage.

In promoting and producing world-class theatre, led by Disabled directors, writers and performers, Graeae seeks to dismantle barriers to employment in the arts. Despite legislative progress and slowly shifting attitudes, there remains a lack of recognition of the talents of Disabled people.

The programme of work seeks to address this through our productions which showcase the skills of Disabled performers. Productions, through the creative use of sign language, audio description, captioning and relaxed environments also open up theatre to Deaf, Disabled and neurodiverse audiences, ensuring that all members of the public benefit from access to the arts. Where possible, ticket prices for Disabled audience members are subsidised and shows are toured to venues across the UK which have a high standard of access for Disabled people.

Report of the Trustees for the year ended 31 March 2025

Professional development training programmes provide accessible and inclusive opportunities for learning. They are delivered for aspiring actors, directors and writers to learn the skills they need to work as professionals. Training programmes are significantly subsidised in recognition of the economic barriers often faced by Disabled artists and are open to those artists throughout the UK.

Graeae's outreach programme fuels the next generation of theatre-makers and audiences. Professionally trained Disabled artists and workshop leaders act as important role models for young participants, raising aspirations and proving that a career in the arts is possible for all. Through investment in training and education, Graeae can effect change within the industry both for individuals and organisations alike, from young people through to professionals, to ensure that there are equal opportunities for all people to benefit from the arts.

The company continues to advocate equality for all Deaf, Disabled and neurodivergent artists and their right to participate in all aspects of society. Despite the impact of the Equality Act, in reality, access is still very uneven in the arts. Most spaces provide only limited levels of accessibility, can cope with only a small number of disabled artists and technicians at any one time, and are capable of dealing with only a limited range of impairments.

Graeae continues to champion access in a number of ways: by using Bradbury Studios as a model of best practice in inclusive design; through authentic representation of disability in theatre; through training and outreach programmes and through advocacy work with other organisations.

Graeae's strategic planning is underpinned by sound governance and continual monitoring of work, measuring quantitatively achievements against targets as well as qualitatively through feedback from audiences and beneficiaries on their experience of Graeae's work.

Achievements and performance

2023-26 Strategy The strategy established in 2023 continued apace in 2024-25 as Graeae continued to open up the cultural landscape for Disabled artists, participants and audiences countrywide.

Utilising a battalion of allied arts venues and training partners through programmes such as Beyond, Write to Play and the young companies, Graeae worked to dismantle the barriers faced by independent artists by building connections with theatres, arts organisations and training providers; nurturing the next generation of arts leaders.

The 23-26 strategy strives to deepen engagement with Disabled artists by delivering an intersectional, Disabled-led tapestry of art and culture and bold, radical, creatively-stimulating theatre.

In particular, this has been delivered through deep partnerships in the North West through cultural hubs in Merseyside (Liverpool Everyman and Shakespeare North Playhouse), and the East in partnership with Mercury Theatre, Colchester. This cohesive approach helps create new pathways to culture for Disabled people as artists, participants and audiences.

Graeae strives to be the "National Theatre for Disabled People" and this strategy will take the organisation one step closer to that goal.

Productions and artistic activities

Graeae's cultural hubs outside of London dominated delivery during the year. Through artistic collaboration, artist and venue training we worked across multiple programmes:

- ***Romeo and Juliet***: A new adaptation co-produced with Shakespeare North Playhouse and Theatre by the Lake.
- ***Beyond***: Unlocking resources and knowledge for Disabled artists with venues nationwide

Report of the Trustees for the year ended 31 March 2025

- **Write to Play:** Writers Teach Writing at Mercury Theatre; Crips With Chips at Liverpool Everyman
- **Youth Hub:** nurturing relationships with young Disabled people in the North West in partnership with local arts organisations

In addition, Graeae invested in opening up the arts for young people and isolated artists:

- **Children's Company and Young Company:** Meeting most Saturdays, connecting with theatre and co-devising stories for sharing with a wider audience
- **Digital resources:** "How-to" guides, case studies, blogs and links to Graeae's history, all through the new website launched this year – ensuring there is a permanent support for artists that are finding their own route into the arts.

Romeo and Juliet

In September – October 2024, Graeae, Shakespeare North Playhouse and Theatre by the Lake produced a new adaptation of Shakespeare's classic text. The production reached 6,270 people in Prescot and Keswick and received rave reviews including 4 stars in the Guardian. Graeae's production had a Deaf and hearing cast, performing side by side, and wove BSL, captions and audio description into the storytelling. For the first time, captioning featured a short, animated summary of each scene, helping audiences translate Shakespeare's language and follow the narrative.

"An air of joyful abandon; for all the play's tragic undertow, it is an exuberant show, always aware of its own theatricality." "there is the dazzling impact of watching two sets of actors play the same parts at once." The Guardian ****

"Somehow this not only doubles the drama and emotion of the scene but also lends the production a kind of balletic movement that is simply breathtaking - not least when the four people performing the scene frequently switch partners and then brilliantly interact with the other actor playing the same part." Cheshire Live ****

Beyond

Beyond is the artist development programme designed to connect disabled theatre-makers with venues nationwide. Partner venues Cast, Hull Truck Theatre, Nottingham Playhouse, Derby Theatre, Octagon Theatre Bolton, Mercury Theatre, Shakespeare North Playhouse and Liverpool Everyman collaborated to offer opportunities to create and develop work for our cohort of 19 artists.

Graeae has a responsibility to nurture a disability arts industry with many players. As such, *Beyond* was developed to bridge relationships between artists, leaders and national partner venues to unlock resources and leadership pathways for Disabled people. In March 2025, the cohort came together at Bolton Octagon to celebrate the diversity of talent on offer and to make new connections.

Write to Play

The long-running writer development programme continued to support new stories, experiences and perspectives to shine. The year culminated in a thrilling New Writing Festival, where rehearsed readings, workshops, panel discussions and networking sessions allowed writers to connect with their peers and mentors in the industry. The festival marked the end of this round of funding and a short break in delivery, before a new strategy came into force in July 2025..

The Graeae Theatre Company Limited
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Report of the Trustees for the year ended 31 March 2025

Youth Hub

Our Youth Hub work was co-led by Jodi-Alissa Bickerton and Anthony Gough (our Associate Artist in the North). The Youth Hub delivered a workshop in June 2024 for Splice group, and additionally 30 people received free tickets to R&J through our Youth Hubs.

Children's Company and Young Company

Three groups; two aimed at younger children aged 6+ (one national group meeting online, and one in-person group meeting at Graeae HQ), and the third group aimed at 14+, totalling 40 sessions delivered.

The Young Company aged 14+ are continuing to develop their professional path alongside life skills and influencing Graeae's work through one of them becoming our Young Associate Artist who peer-facilitates the 6+ in-person group and who also completed a 2-month work placement with us. The Young Company performed their devised piece *The Anchors and the Sails* at Rich Mix in December 2024, and from February – July 2025 they had masterclasses delivered by different Deaf, disabled and/or neurodivergent industry professionals.

The in-person 6+ group worked with Daryl & Co and through a truly children-led process developed a story which was performed to Graeae staff, their families, and friends at Graeae in July 2025.

The 6+ online group developed stories and games throughout the year with Nickie Miles-Wildin and Miss Jacqui. The group celebrated their last session in July with an online joint session with young people aged 8-13 from YEP x Alder Hey based in Merseyside, a group open to Alder Hey Health Care Teams as Outpatients.

Digital Resources

In 2023 we invested in a new website, better understanding of social media and a new audience strategy. This meant that in 24-25, Graeae has been working in a more connected way across all digital streams.

Additionally, we have been able to invest in a bank of digital resources which will help transform careers for disabled artists. These include:

- How to write an autobiographical play
- How to become an actor
- How to be an administrator in the arts

And many more downloads, videos, blogs and interviews.

We also supported the creation of *The Access Manifesto*; a 20 Stories High led project inspired by Maisie Gordon and Graeae Associate Ayzah Ahmed, who recognized the need for ongoing activism. They found that many arts spaces were failing not only them but also the majority of disabled people they engaged with. They collected all of the thoughts, ideas, and provocations to develop a practical, step-by-step guide aimed at helping arts organizations and venues take significant strides toward making the arts more accessible for young audiences, participants, and artists.

Capital Project

In April 2025, following a major six month refit and refurbishment to its award-winning offices and rehearsal space, **Graeae** reopened its headquarters in East London. Under the name **Bradbury Studios** and located in Hoxton, the redesigned space will enable more Deaf and Disabled artists to produce and develop their work, build careers and share ideas.

Bradbury Studios will now be the home of three organisations. Graeae welcomes **Access All Areas** and **Attitude is Everything** into the building to share the space. These three organisations, creatively led or co-led

Report of the Trustees for the year ended 31 March 2025

by disabled people, bring a collective 100+ years' experience in opening up the arts to those who otherwise would not have access.

With funding from **Arts Council England**, **Bradbury Foundation** and **Foyle Foundation**, the redeveloped building now offers the resources to better meet the needs of artists and organisations whilst creating a more sustainable financial future. The facility provides the following –

- **More spaces to develop work:** Two new small meeting spaces, with high spec tech, soft seating and meeting furniture, adjustable lighting and an induction loop; perfect for writers and directors meetings or networking via zoom.
- **Respite and prayer space:** A dedicated quiet and private space to manage energy levels or conduct prayer.
- **Adaptability:** A new larger meeting room at the front of the building can be used as a Board room or rehearsal space. When not in use, the walls to the room fold away and it becomes a large and inviting foyer – perfect for when rehearsals or conferences are in the main rehearsal room
- **Affordable rehearsal space:** One of the few accessible spaces of this size in London with changing rooms, shower, hoist, lighting rig, sound system, sprung floor and dance mirrors as standard.

At the same time the redeveloped home allows Graeae to invest in its own work and in its future.

Report of the Trustees for the year ended 31 March 2025

Achievements and performance (continued)

Raising funds

The majority of the charity's income is provided by grants from Arts Council England and from trusts and foundations. To secure these grants the charity has to prepare detailed applications and subsequently, if successful, to provide reports to the funders on the outcome of the relevant activities. The Board considers that the time invested in fundraising activities is vital to maintaining good relationships with funders and increase the possibility of securing longer term and repeat funding. The main individual funder remains Arts Council England (ACE) through the National Portfolio. The other funders which provided grants during the year are listed in note 21 to the financial statements.

In April 2023, Graeae received an uplift on their existing grant from ACE based on a new three-year strategic plan which in which Graeae would work towards being "The National Theatre for Disabled People". The strategy firmly establishes sector-change projects such as *Beyond* and *Write to Play* as central to how the company operates, builds strong regional partnerships and enables Graeae to invest in a more nationalised workforce.

Graeae aims to achieve best practice in the way in which it communicates with funders, donors and other supporters. The majority of funding comes from organisational funders (rather than individuals), and we set high standards in the way that we present our work. Every application and communication is assessed against standards of representation, empowerment and ownership and we only approach funders with a demonstrable commitment to diversity and inclusivity.

In communicating with individual supporters, we take care with the tone and frequency of communications and the accuracy of data to minimise the pressure on supporters. Graeae is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. Graeae applies best practice to protect supporters' data and has updated its Data Management Policy and Privacy Policy in line with GDPR.

Graeae undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. The charity has received no complaints about its fundraising activities.

Plans for future periods

2023-26 will be the final year of a three year strategy. However, current funding priorities including becoming the National Theatre for Disabled People will continue into the period 2026-28.

Productions and other artistic activities

Bad Lads will tour in October-November 2025. A new play, written by Mike Kenny and created from the testimonies of ex-residents, *Bad Lads* is the gripping and devastating true story of the boys held at Medomsley Youth Detention Centre in County Durham in the 1980s. Sold to the public as a "short, sharp shock" for wayward youth, the reality hid something much darker. At a time when the cry for accountability is louder than ever, *Bad Lads* demands remembrance and calls for justice for these working-class men.

Crips With Chips is Graeae's new writing showcase. It will be performed at partner venues across the UK over the next three years and a digital offer will also be available.

Wedding Fayre, a new musical adaptation of Bartholomew Fayre is currently in development and will hopefully be on tour in 2026-27.

Training, education and learning

Our investment in training and developing Disabled artists continues with:

- ***Framing the Future*** – The Esmée Fairbairn Foundation has supported Graeae over many years and we are delighted they will support a new initiative that builds on the success of *Write to Play*. *Framing the Future* supports writer development through nurturing skills, mentoring, networking, script-reading and opportunities to share work with an audience.

Report of the Trustees for the year ended 31 March 2025

- Youth Programme – a multi-strand programme to develop the next generation of Disabled creative artists.

Wider strategy for the future

Graeae's strategy for 2022-26 firmly establishes its reputation as the national theatre for disabled people. Through partnerships in the North West and East of England, the company will build a lasting presence for Disabled people in the regions, opening up the arts for many people that have been denied the opportunity before. The strategy sees Graeae investing in training opportunities, collaborative productions and acknowledging its responsibilities to share skills, resources and connections with the wider disability arts sector.

Graeae received an uplift from Arts Council England linked to new activity in 2023-26, the continuation of the Beyond programme and investment in staffing.

In July 2025, it was confirmed there would be a 1.61% inflationary increase in 2025-26 NPO funds and a confirmation that Graeae will remain in the portfolio in 2026-27 and 2027-28 (though the level of funding is conditional on DCMS budgets).

Capital Project

As part of the strategy to tackle rising overheads, there was a review of assets and their function in delivering against charitable objectives. Bradbury Studios was found to be a vital resource for Disabled artists and the risk of losing it for the community would be a major set-back to many careers and projects. Graeae successfully fundraised £590,450 to develop the space and open up more opportunities for earning, while still delivering against charitable objectives. Building works commenced on site on 8 January 2025 and Graeae were able to move back in on 22 April 2025. Licensees followed soon after. It is hoped that the new funding model will help make the building a more affordable, accessible and dynamic home to Disabled artists for the next 15 years.

Capital project activities carried out in 2024-25 were reflected in the accounts for the year. Subsequent works, including the installation of furniture and IT infrastructure will be accounted for in 2025-26.

Report of the Trustees for the year ended 31 March 2025

Financial review

Income

Total income for the year amounted to £1,571,276 (2024: £1,338,023) of which £1,327,229 (2024: £1,032,730) related to grants and donations receivable without which Graeae could not generate the range of productions and training, education and learning activity that it undertakes. A list of those funders is on page 38.

The charity's principal funding source during the year was Arts Council England (ACE) which provided core revenue funding of £769,104 (2024: £769,104). Funding towards a capital project was also received from ACE's Capital Investment Programme (£415,967 of which was utilised in the year) and Foyle Foundation (£25,000).

The charity received funds of £89,820 (2024: £90,988) from the "Access to Work" scheme run by the Department of Work and Pensions. This scheme enables the charity to reclaim some of the additional costs incurred in setting up and providing specific work-related access support.

Income from charitable activities includes box office, venue fee and royalties of £42,591 (2024: £52,976) Theatre Tax Relief of £8,293 (2024: £20,766) and fees from training and workshops of £35,436 (2024: £40,002). The charity also received income of £44,826 (2023: £75,448) from trading activities (including the hire of office and rehearsal space and sales of books).

Expenditure

Total expenditure has increased from £1,424,987 for the year ended 31 March 2024 to £1,474,378 in 2024-25.

Excluding support costs, expenditure in 2024-25 included:

- Romeo & Juliet direct costs of £149,477
- Beyond direct costs of £23,958
- New Writing direct costs of £53,167
- Young Company and youth hubs direct costs of £38,316

Excluding support costs, expenditure in 2023-24 included:

- High Times and Dirty Monsters direct costs of £35,598
- Self-Raising direct costs of £146,238
- Beyond direct costs of £10,411
- New Writing costs of £103,552
- Young company and youth hubs £55,283
- Digital resources £86,819

Deferred production costs

At 31 March 2025 there were no deferred production costs.

Risk management

The Board periodically reviews the major external risks to which the charity is exposed and has established systems to mitigate those risks, as far as is reasonably possible. Internal risks are mitigated via robust policies and procedures covering all areas of management, human resources, financial probity, health and safety, environmental issues and diversity targets.

Report of the Trustees for the year ended 31 March 2025

Risk management (continued)

After mitigation there remains a level of residual financial risk which the Board manages by detailed monitoring of cash flow and fundraising targets alongside a reserves policy informed by the residual risks as discussed below.

Principal risks and uncertainties

The Board is particularly concerned with risks that have the potential to cause the charity to cease operations and have set in place policies to mitigate those risks. These include:

Lack of strategy and forward planning leading to financial management difficulties. The charity's management prepare three-year Business Plans, regularly updated, and annual budgets, reviewed quarterly by the Board against actual income and expenditure and monthly at a Departmental level. Longer term planning (five to ten years) is challenging because the premises from which Graeae operates are subject to a five yearly rent review, which can have a material effect on overheads.

Health and safety and environmental issues The Joint CEOs monitor the charity's activities, in Bradbury Studios and elsewhere, and ensures that appropriate policies are in place to provide a safe working environment and to meet other legal requirements.

Failure of an income source. The charity does not commit to major projects until funds are confirmed and / or sufficient reserves are earmarked. Graeae has been confirmed as a National Portfolio Organisation by Arts Council England for the 2024-25, 2025-26, 2026-27 and 2027-28 financial years and so the Board considers that the charity remains a going concern.

Reserves policy

At 31 March 2025 restricted funds amounted to £1,611,135 (2023: £1,341,660) and unrestricted funds were £978,547 (2023: £1,151,074).

Designated funds

Some unrestricted funds have been designated by the Board to address specific areas of financial risk.

- Financial management difficulties

Annual and three year budgets are prepared by the charity and there are detailed budgets for individual productions and training projects. However, theatrical projects retain a significant level of risk around audiences, personnel, timing, and funding. In order that the charity can maintain an ambitious programme and support important outreach opportunities the Board has designated a reserve to assist with funding shortfalls: Artistic fund £30,000 (2024: £30,000). This fund will have the flexibility to be spent across the artistic programme, including training, education and learning.

The Esmée Fairbairn Foundation has supported Graeae's new writing programme since 2013. Their main grant (£100,000 per year for two years) covered the period January 2023 to March 2025. A designated fund of £35,000 was also spent in the year.

The charity occupies leased premises that are subject to an upward rent review every five years (the next review is in July 2028).

Report of the Trustees for the year ended 31 March 2025

Reserves policy (continued)

Designated funds (continued)

The Board is aware of the importance of investment in succession planning and skills' development and has designated a fund to support this investment: Strategic development fund £20,000 (2024: £20,000).

A small marketing fund has been retained during the year £2,000 (2024: £2,000). It will likely increase in future years as the need for reinvestment increases.

Fixed asset purchases impact operational budgets over more than one year. The Board designates funds to cover the cost of purchasing and replacing fixed assets where these are not funded by specific grants: Fixed asset fund £10,233 (2024: £12,732). The relevant depreciation is offset against the fund each year.

- **Building liability**

The charity has a responsibility for the health and safety of people working in and visiting Bradbury Studios. In order to maintain a safe and pleasant working environment the Board has designated a fund for periodic equipment and building maintenance and for unplanned major repairs: Sinking fund £100,000 (2024: £100,000).

- **Loss of income source**

The charity obtains financial support from the government's Access to Work Scheme. Not all access expenses are met by the scheme. However, a previously established Access Fund (2023: £25,000) was wound down in order to properly reflect the irreclaimable access in the year in which it was incurred.

Further details about the designated funds can be found in note 14 to the financial statements.

The Board is also aware that failure to comply with regulatory requirements could have potential for significant financial impact on the charity (fines) or closure but considers that it is inappropriate to make specific financial provision for such matters.

General funds

After designating funds to address particular risks the Board aims to hold unrestricted general funds in the region of six months' operating costs. Unrestricted general funds at 31 March 2025 amounted to £778,314 (2024: £951,342). The average monthly operating cost during the year (which excludes the direct costs of productions and training) was £87,333 (2024: £77,585). The balance of undesignated general funds at 31 March 2025 based on past costs represents 9 months of operating costs (2024: 11 months). In the current economic climate, the Board is comfortable with holding this level of general funds.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2025

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

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

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

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

This report was approved by the Board on 01 December 2025 and signed on its behalf by:

T. RYALLS

Tom Ryalls
Chair

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Independent auditor's report to the members of The Graeae Theatre Company Limited

Opinion

We have audited the financial statements of The Graeae Theatre Company Limited (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet and the statement of cash flows, and the notes to the financial statements including the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company and 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.

Independent auditor's report to the members of The Graeae Theatre Company Limited

Other information

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

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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the charitable company financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report.

Independent auditor's report to the members of The Graeae Theatre Company Limited

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on Page 14, 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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 and reviewed journal entries to identify unusual transactions;
- Tested authorisation of expenditure;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated 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:

- Ensuring that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Identifying the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- Ensuring that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- Focussing on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to relevant financial reporting standards, the Charities Act 2011 and the Companies Act 2006;
- Agreeing financial statements disclosures to underlying supporting documentation;
- Reading the minutes of trustee meetings; and
- Enquiring of as to actual and potential litigation and claims.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Independent auditor's report to the members of The Graeae Theatre Company Limited

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

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

A further description of our responsibilities 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 auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzacott Audit LLP

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

Date: 4 December 2025

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Financial Activities (incorporating an income and expenditure account)
For the Year Ended 31 March 2025

	Notes	Restricted Funds	Unrestricted Funds	Total Funds 2025
		£	£	£
Income from:				
Donations and grants	2	503,235	823,994	1,327,229
Charitable activities	3	89,820	86,320	176,140
Other trading activities	4	-	44,826	44,826
Investments	5	-	23,081	23,081
Total		<u>593,055</u>	<u>978,221</u>	<u>1,571,276</u>
Expenditure on:				
Raising funds	6	27,732	163,129	190,861
Charitable activities	7	214,110	1,069,357	1,283,467
Total		<u>241,842</u>	<u>1,232,486</u>	<u>1,474,328</u>
Net Income (expenditure)	10	351,213	(254,265)	96,948
Transfers between funds	14	(81,738)	81,738	-
Net movement in funds		<u>269,475</u>	<u>(172,527)</u>	<u>96,948</u>
Reconciliation of funds:				
Total funds brought forward	14	<u>1,341,660</u>	<u>1,151,074</u>	<u>2,492,734</u>
Total funds carried forward	14	<u>1,611,135</u>	<u>978,547</u>	<u>2,589,682</u>

The Statement of Financial Activities includes all gains and losses recognised in the above financial year.

All income and expenditure derive from continuing activities during the above financial year.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Financial Activities (incorporating an income and expenditure account)
For the Year Ended 31 March 2024

	Notes	Restricted Funds	Unrestricted Funds General	Designated	Total Funds 2024
		£	£	£	£
Income from:					
Donations	2	188,762	843,968	-	1,032,730
Charitable activities	3	90,988	113,744	-	204,732
Other trading activities	4	-	75,448	-	75,448
Investments	5	-	25,113	-	25,113
Total		<u>279,750</u>	<u>1,058,273</u>	<u>-</u>	<u>1,338,023</u>
Expenditure on:					
Raising funds	6	98,071	218,074	-	316,145
Charitable activities	7	<u>255,869</u>	<u>812,800</u>	<u>40,173</u>	<u>1,108,842</u>
Total		<u>353,940</u>	<u>1,030,874</u>	<u>40,173</u>	<u>1,424,987</u>
Net income (expenditure)	10	(74,190)	27,399	(40,173)	(86,964)
Transfers between funds	14	<u>(83,011)</u>	<u>140,669</u>	<u>(57,658)</u>	<u>-</u>
Net movement in funds		<u>(157,201)</u>	<u>168,068</u>	<u>(97,831)</u>	<u>(86,964)</u>
Reconciliation of funds:					
Total funds brought forward	14	<u>1,498,861</u>	<u>783,274</u>	<u>297,563</u>	<u>2,579,698</u>
Total funds carried forward	14	<u>1,341,660</u>	<u>951,342</u>	<u>199,732</u>	<u>2,492,734</u>

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Balance Sheet at 31 March 2025

	Notes	2025	2024
		£	£
Fixed assets:			
Tangible assets		1,582,554	1,251,701
Heritage assets		1,300	1,300
<i>Total fixed assets</i>	11	1,583,854	1,253,001
Current assets:			
Debtors	12	647,509	145,244
Cash at bank and in hand		561,611	1,161,353
<i>Total current assets</i>		1,209,120	1,306,597
Liabilities:			
Creditors: amounts falling due within one year	13	203,292	66,864
<i>Net current assets</i>		1,005,828	1,239,733
<i>Total net assets</i>		2,589,682	2,492,734
The funds of the charity:			
Restricted Funds	14	1,611,135	1,341,660
Unrestricted Funds			
Designated	14	200,233	199,732
General	14	778,314	951,342
<i>Total charity funds</i>		2,589,682	2,492,734

Approved by the Board on 01 December 2025

T. RYALLS

Tom Ryalls
Chair

Company no. 01619794

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 March 2025

	Notes	2025	2024
		£	£
Cash flows from operating activities:			
<i>Net cash (used in) generated by operating activities</i>	A	<u>(206,200)</u>	<u>(16,196)</u>
Cash flows from investing activities			
Interest received		23,081	25,113
Purchase of tangible fixed assets		<u>(416,623)</u>	<u>(1,241)</u>
<i>Net cash (used in) generated by activities</i>		<u>(393,542)</u>	<u>23,872</u>
<i>Change in cash and cash equivalents in the year</i>		<u>(599,742)</u>	<u>7,676</u>
Cash and cash equivalents at 1 April 2024		<u>1,161,353</u>	<u>1,153,677</u>
<i>Cash and cash equivalents at 31 March 2025</i>		<u>561,611</u>	<u>1,161,353</u>

A **Reconciliation of net income to net cash flow from operating activities**

<i>Net (expenditure) income for the reporting period</i>	96,948	(86,964)
Adjustments for:		
Depreciation charges	85,770	87,842
Sale of fixed assets	-	-
Interest received	(23,081)	(25,113)
(Increase) / Decrease in debtors	(502,265)	78,833
Increase / (Decrease) in creditors	<u>136,428</u>	<u>(70,794)</u>
<i>Net cash (used in) operating activities</i>	<u>(206,200)</u>	<u>(16,196)</u>

No separate reconciliation of net debt has been prepared as there is no difference between the net cash/(debt) of the charity and the above cash and cash equivalents.

1 ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared for the year to 31 March 2025 under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and the Companies Act 2006.

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

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

(b) Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- estimating the allocation of support costs between activities;
- estimating the useful economic life of tangible fixed assets;
- estimating the value of donated services and gifts.
- assessing the appropriateness of deferring production costs under policy (f) (3) on page 24.

(c) Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

(d) Income

(1) Donations and legacies, including grants which are not conditional on delivering certain levels of activity, are recognised when these are receivable unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-conditions have been met and until then are treated as deferred income. Donations and grants for particular purposes are identified as restricted funds.

(2) Income from box office and venue fees is included in income in the period in which the relevant production takes place.

(3) Theatre Tax Relief claimable by the charity is recognised as income in the year in which the eligible expenditure is incurred.

(4) Other income is recognised on a receivable basis when there is legal entitlement to receipt.

(5) Income relating to rentals in a subsequent period is treated as deferred income.

(6) The value of donated services and gifts in kind provided to the charity are recognised as income at their open market value in the period in which they are receivable, where the benefit to the charity can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities or capitalised as appropriate.

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

1 ACCOUNTING POLICIES (continued)

(e) Expenditure

- (1) Expenditure is accounted for on an accruals basis.
- (2) Expenditure on raising funds comprises those costs incurred in attracting donations, grants and trading income, plus a proportion of the underlying support costs of the company.
- (3) Expenditure on charitable activities comprises those costs incurred on productions, other artistic activities, training and outreach programmes, and grants made to organisations and individuals. It includes both costs that can be allocated directly to those activities plus a proportion of the underlying support costs of the company.
- (4) Core staff costs, office administrative expenses and premises costs are allocated to the costs of raising funds and charitable activities on an estimate of time spent by staff supporting these activities.
- (5) Governance costs, which comprise costs directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements, are included within administrative expenses.

(f) Productions

- (1) For productions occurring wholly within one financial year box office and venue fees are recognised in that year and costs are recognised as incurred. Typically costs are incurred in advance of income being generated.
- (2) Where a production spans the year-end and is expected to be loss making, the expected loss is recognised in full in the year in which the loss is foreseen.
- (3) Where production set up costs have been incurred prior to the year-end but the production has not yet opened, the set up costs are carried forward at the balance sheet date as deferred production costs until such time as the production opens.
- (4) Where Graeae Theatre Company Limited acts as a financially contributing co-producer only that contribution is recognised in the year it is granted.

(g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Assets costing less than £500 are not capitalised. Depreciation is provided on a straight line basis to write off the assets over their anticipated useful economic lives, as follows:

Leasehold property	30 years
Computer equipment	2 years
Office equipment, production equipment, motor vehicles	4 years

Assets under development, being the accumulated costs of designing and building bespoke equipment, are included under tangible fixed assets but are not depreciated until the assets are brought into use. If a decision is made to discontinue development then the accumulated costs are written off in the year that decision is made.

(h) Heritage assets

Heritage assets are works of art which are held and maintained principally for their contribution to knowledge and culture. Heritage assets are not depreciated.

(i) Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material. Other debtors include an estimate of Theatre Tax Relief claimable by the charity.

1 ACCOUNTING POLICIES (continued)

(j) Cash at bank and in hand

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

(k) Creditors and provisions

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

(l) Fund structure

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

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds comprise i) monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions, and also ii) the net book value of tangible fixed assets is included in restricted funds where those assets are funded through restricted grants or donations which require the charity to hold those assets on an ongoing basis for a specific purpose.

(m) Operating lease commitments

Rentals payable under operating leases are charged against expenditure as incurred over the lease term.

(n) Pension commitments

The company contributes to a defined contribution pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions paid and payable in the year by the company.

(o) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

(p) Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Listed investments are a basic financial instrument as detailed above. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

(q) Taxation

The company is a registered charity and is therefore not liable for corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

(r) Grant making

Grants to organisations and individuals are accounted for when the award is made.

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

2 INCOME FROM DONATIONS AND GRANTS

	Restricted £	Unrestricted £	2025 Total £	Restricted £	Unrestricted £	2024 Total £
Arts Council England (ACE) - National Portfolio	-	769,104	769,104	-	769,104	769,104
ACE - Capital Investment Programme	415,967	-	415,967	-	-	-
Other grants received (see note 21)	87,268	38,015	125,283	188,762	36,250	225,012
Donations	-	16,875	16,875	-	38,614	38,614
Total voluntary income	503,235	823,994	1,327,229	188,762	843,968	1,032,730

Graeae is a National Portfolio Organisation (NPO) with Arts Council England. Funding contributes towards core costs and the implementation of its business plan.

Additional ACE income was received this year towards a capital project. This is restricted funds.

3 INCOME FROM CHARITABLE ACTIVITIES

	Restricted £	Unrestricted £	2025 Total £	Restricted £	Unrestricted £	2024 Total £
Venue fees and royalties	-	42,591	42,591	-	52,976	52,976
Fees from training, workshops and other artistic	-	35,436	35,436	-	40,002	40,002
Theatre Tax Relief (TTR)	-	8,293	8,293	-	20,766	20,766
Access to Work	89,820	-	89,820	90,988	-	90,988
Total income from charitable activities	89,820	86,320	176,140	90,988	113,744	204,732

4 INCOME FROM OTHER TRADING ACTIVITIES

	Restricted £	Unrestricted £	2025 Total £	Restricted £	Unrestricted £	2024 Total £
Income from hire of space and equipment	-	23,386	23,386	-	48,820	48,820
Sales of merchandise and other income	-	21,440	21,440	-	26,628	26,628
Total income from other trading activities	-	44,826	44,826	-	75,448	75,448

5 INCOME FROM INVESTMENTS

	Restricted £	Unrestricted £	2025 Total £	Restricted £	Unrestricted £	2024 Total £
Interest on deposit accounts	-	23,081	23,081	-	25,113	25,113
Total income from investments	-	23,081	23,081	-	25,113	25,113

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

6 EXPENDITURE ON RAISING FUNDS

	Restricted £	Unrestricted £	2025 Total £	Restricted £	Unrestricted £	2024 Total £
Expenditure on raising grants and donations	-	53,478	53,478	-	66,657	66,657
Expenditure on digital infrastructure	17,533	-	17,533	84,321	-	84,321
Expenditure on other trading activities	-	-	-	-	34,428	34,428
Support costs for raising funds	10,199	109,651	119,850	13,750	116,989	130,739
Total expenditure on raising funds	27,732	163,129	190,861	98,071	218,074	316,145

In 2022-24 the company was awarded funding from the Bloomberg Digital Accelerator Programme to be used in the development of its website and audiences. Expenditure against this programme is recorded as restricted digital infrastructure in expenditure on raising funds.

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Restricted £	Unrestricted £	2025 Total £	Restricted £	Unrestricted £	2024 Total £
Productions and other artistic	3,000	161,200	164,200	-	190,059	190,059
Support costs for productions and other artistic	32,787	348,559	381,346	39,205	333,572	372,777
Training, education and learning (TEL)	134,489	95,347	229,836	178,631	5,745	184,376
Support costs for TEL	43,834	464,251	508,085	38,033	323,597	361,630
Total expenditure on charitable activities	214,110	1,069,357	1,283,467	255,869	852,973	1,108,842

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

8 ANALYSIS OF SUPPORT COSTS

Support costs are allocated by management estimates of the proportion of staff time spent supporting the three main activities, as follows:

	Raising funds	Productions and other artistic	Training education and learning	Total 2025
Allocation for year ended 31 March 2025	12% £	38% £	50% £	100% £
Staff	61,022	192,235	255,256	508,513
Premises	40,536	130,308	174,214	345,058
Administration	18,292	58,803	78,615	155,710
	119,850	381,346	508,085	1,009,281
Allocation for year ended 31 March 2024	15% £	43% £	42% £	Total 2024 100% £
Staff	65,530	186,845	181,258	433,633
Premises	49,530	141,226	137,003	327,759
Administration	15,679	44,706	43,369	103,754
	130,739	372,777	361,630	865,146

9 ANALYSIS OF STAFF COSTS

<u>Employees</u>	2025 £	2024 £
Salaries and wages	520,054	507,649
Social security costs	51,109	44,145
Pension costs	36,564	34,889
Settlement Payment	10,000	-
Total employee costs	617,727	586,683

The company operates a defined contribution pension scheme. At 31 March 2025, there were 16 employees (2024: 17) with retirement benefits accruing under this scheme.

The average head count (number of staff employed) on the payroll during the year (including casual and part-time staff) was 17.55 (2024: 17.25).

The average number of full-time equivalent employees on the payroll during the year (including casual and part-time staff) was 14 (2024: 13).

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

9 ANALYSIS OF STAFF COSTS (continued)

There were two employees during the year with emoluments (excluding pension contributions) above £60,000 (2024: two): Jenny Sealey (£66,625), Kevin Walsh (£62,962).

The key management personnel are the trustees, the Joint Chief Executive Officers, the Deputy Artistic Director and the Finance Director.

The trustees were not paid during the year or the prior year. The salary and pensions paid for the other key management personnel in respect of their services to the charity are shown below.

		Salary	NI	Pension	2025 Total
		£	£	£	£
Management Personnel	4 roles	214,316	24,764	14,567	253,647
					<u>253,647</u>

		Salary	NI	Pension	2024 Total
		£	£	£	£
Management Personnel	3 roles	178,750	20,902	12,303	211,955
					<u>211,955</u>

	2025	2024
Pay multiples of full time equivalent earnings for monthly paid staff at the start of the financial year		
Highest to median	1.9	2.0
Highest to lowest	2.8	3.0

Non-payroll	2025	2024
	£	£
In addition to employees paid through the payroll the company contracts with specific individuals to provide services in relation to the company's activities. These individuals include actors, musicians, directors, choreographers, designers, stage managers, duty managers, practitioners, facilitators, access support workers, interpreters, fundraisers, marketing consultants and financial consultants.		
The total costs associated with these additional individuals is:	247,451	295,849
	<u>247,451</u>	<u>295,849</u>

Settlement Payment

A settlement was reached on 5 August 2024 as a result of conciliation action through acas.

10 NET INCOME BEFORE TRANSFERS	2025	2024
	£	£
Net income before transfers is stated after charging:		
Depreciation	85,770	87,849
Auditor's remuneration (statutory audit)	22,225	15,180

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

11 FIXED ASSETS

	Heritage assets £	Computer Equipment £	Production Equipment £	Office Equipment £	Leasehold Property £	Total £
COST						
At 1 April 2024	1,300	61,969	124,326	120,031	2,443,033	2,750,659
Additions	-	656	-	-	415,967	416,623
Disposals	-	-	-	(11,955)	-	(11,955)
At 31 March 2025	<u>1,300</u>	<u>62,625</u>	<u>124,326</u>	<u>108,076</u>	<u>2,859,000</u>	<u>3,155,327</u>
DEPRECIATION						
At 1 April 2024	-	60,728	124,326	112,544	1,200,060	1,497,658
Charge for the year	-	776	-	3,559	81,435	85,770
Disposals	-	-	-	(11,955)	-	(11,955)
At 31 March 2025	<u>-</u>	<u>61,504</u>	<u>124,326</u>	<u>104,148</u>	<u>1,281,495</u>	<u>1,571,473</u>
NET BOOK VALUES						
At 31 March 2025	<u>1,300</u>	<u>1,121</u>	<u>-</u>	<u>3,928</u>	<u>1,577,505</u>	<u>1,583,854</u>
At 31 March 2024	<u>1,300</u>	<u>1,241</u>	<u>-</u>	<u>7,487</u>	<u>1,242,973</u>	<u>1,253,001</u>

The heritage asset is a painting of Nabil Shaban by Eleanor Johnson which was donated to the company in November 2016.

12 DEBTORS

	2025 £	2024 £
Trade debtors	13,513	36,797
Other debtors and prepayments	608,666	88,774
Deferred production costs	25,330	19,673
	<u>647,509</u>	<u>145,244</u>

13 CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR

	2025 £	2024 £
Trade creditors	68,676	11,985
Other taxes and social security	11,413	15,976
Other creditors and accruals	123,203	38,903
	<u>203,292</u>	<u>66,864</u>

The company operates a defined contribution scheme for its employees.
There were contributions due in creditors of £4,748 at 31 March 2025 (2024: £4,210).

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

14 MOVEMENTS IN FUNDS

	At 31 March 2024 £	Income £	Expenditure £	Transfers to General £	Transfers from General £	At 31 March 2025 £
<u>Restricted funds</u>						
Leasehold property	1,237,728	-	-	(81,374)	-	1,156,354
Leasehold property improvements	-	415,967	-	-	-	415,967
Equipment grants	1,492	-	-	(1,492)	-	-
ACE Transforming leadership	-	-	-	1,128	-	1,128
Cross project grants	25,719	-	(17,533)	-	-	8,186
Productions and other artistic activities	-	3,000	(3,000)	-	-	-
Training, education and learning	76,721	87,268	(134,489)	-	-	29,500
Access to Work	-	86,820	(86,820)	-	-	-
Total restricted funds	1,341,660	593,055	(241,842)	(81,738)	-	1,611,135
<u>Unrestricted funds</u>						
<u>Designated funds</u>						
New writing fund	35,000	-	(38,824)	-	3,824	-
Artistic fund	30,000	-	-	-	-	30,000
Training, education and learning	-	-	(2,881)	-	5,881	3,000
Marketing fund	2,000	-	-	-	-	2,000
Strategic development fund	20,000	-	-	-	-	20,000
Fixed asset fund	12,732	-	-	(2,499)	-	10,233
Productions and other artistic activities	-	-	-	-	35,000	35,000
Sinking fund	100,000	-	-	-	-	100,000
Total designated funds	199,732	-	(41,705)	(2,499)	44,705	200,233
General funds	951,342	978,221	(1,190,781)	84,237	(44,705)	778,314
Total unrestricted funds	1,151,074	978,221	(1,232,486)	81,738	-	978,547
Total funds	2,492,734	1,571,276	(1,474,328)	-	-	2,589,682

Summary of transfers between restricted funds and unrestricted funds
Depreciation of assets purchased with restricted funds

(81,738)

(81,738)

-

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

14 MOVEMENTS IN FUNDS

	At 31 March 2023 £	Income £	Expenditure £	Transfers to General £	Transfers from General £	At 31 March 2024 £
<u>Restricted funds</u>						
Leasehold property	1,318,861	-	-	(81,133)	-	1,237,728
Equipment grants	3,370	-	-	(1,878)	-	1,492
Cross project grants	85,040	25,000	(84,321)	-	-	25,719
Productions and other artistic activities	-	-	-	-	-	-
Training, education and learning	91,590	163,762	(178,631)	-	-	76,721
Access to Work	-	90,988	(90,988)	-	-	-
Total restricted funds	1,498,861	279,750	(353,940)	(83,011)	-	1,341,660
<u>Unrestricted funds</u>						
<u>Designated funds</u>						
New writing fund	35,000	-	-	-	-	35,000
Artistic fund	40,000	-	-	(10,000)	-	30,000
Training, education and learning	20,000	-	(5,745)	(14,255)	-	-
Marketing fund	10,000	-	-	(8,000)	-	2,000
Strategic development fund	20,000	-	-	-	-	20,000
Fixed asset fund	17,563	-	-	(4,831)	-	12,732
Access fund	25,000	-	-	(25,000)	-	-
Sinking fund	100,000	-	-	-	-	100,000
Leasehold property operational fund	-	-	-	-	-	-
Leasehold property capital fund	30,000	-	(34,428)	-	4,428	0
Total designated funds	297,563	-	(40,173)	(62,086)	4,428	199,732
General funds	783,274	1,058,273	(1,030,874)	145,097	(4,428)	951,342
Total unrestricted funds	1,080,837	1,058,273	(1,071,047)	83,011	-	1,151,074
Total funds	2,579,698	1,338,023	(1,424,986)	-	-	2,492,734

Summary of transfers between restricted funds and unrestricted funds
Depreciation of assets purchased with restricted funds

83,011

-

83,011

-

Notes to the Financial Statements
For the Year Ended 31 March 2025(continued)

14 MOVEMENTS IN FUNDS (continued)

Restricted funds

Leasehold property fund

The leasehold property fund was set up in 2007-08 for funding received in the development of the Bradbury Studios. The building was acquired under a 30-year lease. An annual depreciation charge was applied during the year.

Leasehold property Improvements

During the year, Graeae undertook a capital project: investing in a new layout which would allow for more disabled-led organisations to be based on site and to improve access for its many visitors and staff. The overall cost of the capital project will be c.£590,450, incurred over the period November 2024 - October 2025. During the year 2024-25, the physical build was completed, incurring costs of £345,071. Income for this was received from Arts Council England's Capital Project Grants Fund. Works were capitalised during the year and will be depreciated in future years.

Equipment grants

These funds represent grants received to contribute to the cost of purchasing, developing or maintaining specific assets. No grants were received during the year (2024: £nil). During the year £1492 (2024: £1,878) was applied for depreciation on the assets purchased, maintenance costs, and costs incurred on equipment no longer being developed.

Cross project grants

These are grants that support a range of Graeae's activities.
During 2024-25 Graeae spent against the £150,000 grant received from Bloomberg Philanthropies as part of their Digital Accelerator Programme in previous years. £17,533 was spent in 2024-25. (2023-24: £88,819)

Productions and other artistic activities

There was one restricted production grant for £3,000 received and expended in 2024-25 (2023-24: £0)

Training, education and learning

Grants totalling £78,768 (2024: £152,434) were received in the year to contribute to the costs of the youth programme, Beyond project and other workshop activities.
Restricted funding of £64,694 from Esmee Fairbairn was carried forward and spent in the year. It was combined with unrestricted funds in the delivery of the Write to Play programme. All funds for this programme were spent in the year, though a new schedule of work is planned for 2025-26.

A grant of £8,500 was received in the year from Esmee Fairbairn Foundation towards staff development in DEI and leadership.

Access to Work

The company receives funds from the Department of Work and Pension's "Access to Work" scheme. The scheme enables the company to reclaim some of the additional costs incurred in setting up and providing work-related access support.

14 MOVEMENTS IN FUNDS (continued) -

Unrestricted funds

General funds

General funds represent those funds that are unrestricted and are not designated for other specific purposes.

New Writing fund

Esmee Fairbairn have supported new writing at Graeae for many years. In 2023-24 they gave the organisation a restricted grant of £107,500 for activity to be carried out until March 2025. This, combined with £35,000 of unrestricted grants and £3,824 of other unrestricted income, was spent during the year. New activity is planned for 2025-26, but funding for this is received in July 2025, so does not feature in the funds for this year.

Productions, Artistic activities & Artistic Fund

The artistic fund allows the company to develop a more strategic and ambitious programme in the future. The Board has agreed to maintain the fund at £30,000 to support activity in future years where match funding may be hard to secure.

The second of two year's unrestricted funding from Garfield Weston Foundation of £35,000 was brought forward to 2025-26 to support the development of Bad Lads.

Training, education and learning fund

Two grants towards the Beyond programme, totalling £3,000, were brought forward to 2025-26.

Marketing fund

The marketing fund is available to support marketing and publicity costs of future projects. This fund is maintained at £2,000 at 31 March 2025.

Strategic Development Fund

The strategic development fund supports investment in succession planning, skills development, strategic advice and fundraising activities. This fund was not utilised during 2024-25 due to existing audience development grants and a staff training grant received mid year. At 31 March 2025 the Board has agreed to keep this fund at £20,000 for the purposes of the development of our new fundraising programme and corporate workshop strategy.

Fixed asset fund

The fixed asset fund is to cover the cost of purchasing and replacing fixed assets where these are not funded by specific grants. During the year £4,032 (2023: £4,838) was utilised in respect of depreciation on assets and £1,533 of new assets were capitalised outside of the scope of the capital project.

Sinking fund

The sinking fund has been set up to cover equipment maintenance, general wear and tear of the building and unplanned maintenance. The fund was not utilized during the year. (2024: £0)
The Board has agreed to maintain this fund at £100,000 at 31 March 2025

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted	Unrestricted General	Unrestricted Designated	2025 Total
	£	£	£	£
Fixed assets	1,572,321	1,300	10,233	1,583,854
Current assets	109,710	909,410	190,000	1,209,120
Current liabilities	(70,896)	(132,396)	-	(203,292)
At 31 March 2025	1,611,135	778,314	200,233	2,589,682
	Restricted	Unrestricted General	Unrestricted Designated	2024 Total
	£	£	£	£
Fixed assets	1,237,728	1,300	13,973	1,253,001
Current assets	113,448	1,007,390	185,759	1,306,597
Current liabilities	(9,516)	(57,348)	-	(66,864)
At 31 March 2024	1,341,660	951,342	199,732	2,492,734

16 CAPITAL COMMITMENTS

The capital project, which started in 2024-25, continues into 2025-26. The overall budget for the project is £595,450, which is covered through two grants (Arts Council England's Capital Investment Programme £445,450, Foyle Foundation £25,000) and a donation (Bradbury Foundation £120,000).

At 31/3/25, £345,071 was spent against the project, leaving £250,379 left to spend.

Overall project costs of £470,568 were committed at year end, including the £345,071 already spent.

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

17 OPERATING LEASE COMMITMENTS

At 31 March 2025 the charity was committed to making the following payments under non-cancellable operating leases:

	2025	2024
	£	£
Land and buildings - operating leases payments due		
In under one year	120,000	120,000
Later than one year and not later than two years	120,000	120,000
Later than two years and not later than five years	360,000	360,000
Later than five years	995,507	1,115,507
	1,595,507	1,715,507
Plant and machinery - operating leases payments due		
In under one year	-	2,000
Later than one year and not later than two years	-	2,000
Later than two years and not later than five years	-	1,000
	-	5,000

The lease agreement for the premises at Bradbury Studios is subject to a quinquennial rent review. (see also note 19). The next review is due at 18 July 2028.

The company renewed a lease on a store in Erith for one (1) year, expiring on 28 April 2025.

Contracts for printer provision and maintenance were wound down during the year and replaced once the capital project was complete.

18 LEGAL CHARGE

On 24 November 2008, the company signed a lease relating to premises at Bradbury Studios, 138 Kingsland Road, London, E2 8DY for a term of 30 years expiring 17 July 2038. The lease premium paid was £1,000,000 plus VAT of £175,000.

Arts Council England (ACE) provided a grant to cover the cost of the premium and other costs relating to the premises. It was a condition of the grant that ACE have a fixed and floating security over the assets of the company. The charge is also dated 24 November 2008.

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

19 RELATED PARTY TRANSACTIONS

<u>Trustee expenses</u>	2025 £
Nathan Crossan-Smith	203
Samantha Tatlow	90

Board Member Ayzan Ahmed is also engaged in a freelance capacity as Young Associate. Ayzah came through Graeae's Young Company and is now starting life as a professional artist. It is important that the next generation of artists are represented on Graeae's Board. The payments for work delivered are linked to running workshops for the next Young Company cohort and are not remuneration for her responsibilities as Board Member. Ayzah received £910 for work delivered in the period.

No Trustees were remunerated for attendance at Board meetings or work undertaken by the Trustees

Notes to the Financial Statements
For the Year Ended 31 March 2025 (continued)

20 OTHER GRANTS RECEIVED

	Restricted £	Unrestricted £	2025 Total £	Restricted £	Unrestricted £	2024 Total £
Note 2 - income from donations						
Garfield Weston	-	35,000	35,000	-	35,000	35,000
Bloomberg Digital Accelerator Programme	-	-	-	25,000	-	25,000
City Bridge Foundation	54,018	-	54,018	56,012	-	56,012
Esmée Fairbairn Foundation	8,500	15	8,515	100,000	-	100,000
Keith Howard Foundation	-	-	-	3,000	-	3,000
Beyond Hull Project Funding	-	-	-	3,000	-	3,000
Katie Bradford Arts Trust	-	3,000	3,000	-	1,000	1,000
Theatre Partners - Microbursaries	-	-	-	1,750	-	1,750
British Council Bangladesh WOW	-	-	-	-	250	250
Liverpool Everyman	750	-	750	-	-	-
Backstage Trust	20,000	-	20,000	-	-	-
Mackintosh Foundation	2,000	-	2,000	-	-	-
Chapman Trust	2,000	-	2,000	-	-	-
	87,268	38,015	125,283	188,762	36,250	225,012

21 POST BALANCE SHEET EVENTS

None

THE GRAEAE THEATRE COMPANY LIMITED

England & Wales - Charity number 284589

Accounts

GRAEAE THEATRE COMPANY LIMITED (THE)

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2024

COMPANY REGISTRATION NUMBER: 01619794

CHARITY REGISTRATION NUMBER: 284589

GRAEae
T H E A T R E C O M P A N Y

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

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The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2024

The Trustees present their report and the financial statements for the year ended 31 March 2024.

The report has been prepared in accordance with the Charities Act 2011 and is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 22-24 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

For the purpose of determining disclosure requirements the charity is classified as:

- a larger charity (having income over £500,000)
- a small company (fewer than 50 employees, turnover less than £6.5million).

Reference and administrative details

<u>Charity number</u>	284589
<u>Company number</u>	01619794
<u>Registered office</u>	Bradbury Studios, 138 Kingsland Road, London E2 8DY
<u>Directors and Trustees</u>	

The directors of the charity are its Trustees for the purpose of charity law. The Trustees who served during the year and since the year-end are as follows:

Samantha Tatlow	Re-appointed 6 December 2021 Appointed as Chair 11 October 2021
Sharon Marshall	Re-appointed 18 January 2021 (resigned 2 December 2024)
Jessi Parrott	Re-appointed 6 December 2021
Lisa Oguntinyinbo	Appointed 4 May 2021
Nathan Crossan-Smith	Appointed 6 December 2021
Anthony Lee	Appointed 6 December 2021
Andrea Walter	Appointed 7 March 2022 (resigned 19 November 2024)
Deborah Rees	Appointed 5 September 2022
Ayzah Ahmed	Appointed 19 September 2023
Robin Cantrill Fenwick	Appointed 19 September 2023

Throughout this report the word "Trustees" refers to the individuals and the word "Board" refers to the Trustees acting as a body.

<u>Secretary</u>	Elizabeth Luxford (appointed 13 December 2022)
<u>Joint Chief Executive Officer and Artistic Director</u> (from 26 November 2021)	Jenny Sealey, OBE
<u>Joint Chief Executive Officer and Executive Director</u> (from 26 November 2021)	Kevin Walsh
<u>Auditor</u>	Buzzacott LLP, 130 Wood Street, London EC2V 6DL
<u>Bankers</u>	CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2024

Structure, governance and management

Governing document

The charity is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 10 December 1981 and updated in December 2011. There are currently eight members, each of whom agrees to contribute £1 in the event of the charity being wound up.

Appointment of Trustees

As set out in the Articles of Association, the Board may at any time appoint any member of the company as a member of the Board, subject to a maximum of twelve members. Any member so appointed retains his/her office until the next Annual General Meeting and is then eligible for re-election. At each Annual General Meeting one-third of the members who have been longest in office retire. All retiring members are eligible for re-election subject to the limits to terms of office set out in the Articles of Association. The charity aims for a Board where 50% or more of the Trustees identify as Deaf, disabled and neurodivergent (currently 63%).

Regular skills' audits are carried out and, when considering appointing new Trustees, the Board has regard to the requirement for any additional specialist skills needed.

Trustee induction and training

New Trustees are provided with an information pack to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the business plan and the recent financial performance of the charity. Trustees are encouraged to attend training courses about the responsibilities of being a trustee at a venue and time convenient to them. Trustees are also encouraged to visit the charity's office to meet employees and other Trustees outside the formal meetings. Trustees' Away Days are held from time to time so that the company's key aims and objectives can be discussed and reviewed. Trustees are also encouraged to attend productions and appropriate in-house training events.

Organisation

The Board meets, at least quarterly, to manage the affairs of the company. Four Trustees must be present for the meeting to be quorate. Since the COVID19 pandemic, meetings have been in a hybrid of Zoom conferencing software and in-person meetings. To aid accessibility meetings are shorter, with more breaks, captioned, BSL interpreted and recorded.

There is also a Finance and General Purposes sub-committee which meets up to four times a year. The purpose of the committee is to provide a greater level of scrutiny of, and support to, company officers with a responsibility for financial management.

The Board has adopted the NCVO Charity Governance Code. This has fed into the formation of Graeae's Governance Policy which was formally adopted on 5 March 2023. The policy includes Board role descriptions, person specification and a scheme of delegation of Board authority.

The Joint Chief Executive Officers are appointed by the Board to manage the day to day operations of the charity.

To facilitate effective operations, the Joint CEOs delegate authority, in line with the Board's scheme of delegation, for operational matters including finance, employment, fundraising, and the artistic, training and educational output of the charity.

The key management personnel for the period covered by this report are:

- the Trustees, who are not paid, and
- the Joint CEOs and the Finance Director, whose remuneration is set by the Board, with reference to market rates for the theatre and charity sectors.

Other charities and related parties

The charity does not have any subsidiary undertakings. The charity collaborates from time to time with other organisations, particularly in the theatre sector, that may also be charities but does not have any formal long term arrangement with any other charity except in relation to grants received for specific activities.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2024

Public benefit

The objects of the charity, as set out in the Articles of Association, are to promote, maintain, improve and advance education, particularly by the production of educational plays and the encouragement of the Arts including the arts of drama, opera, operetta, dance, ballet, music, singing, literature, poetry, sculpture, painting, mime and puppetry.

The charity's particular purpose as a touring theatre company is to develop and promote disabled-led accessible theatre for a wide-ranging audience. The charity's main activities undertaken to further its purpose are theatrical productions and training, education and learning activities.

The Board has given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under section 17 of the Charities Act 2011 when reviewing the charity's aims and objectives and in planning future activities. The Board considers that all of the charity's objectives deliver benefit to the public, as explained below.

Objectives and activities

Graeae's vision is to create world-class accessible theatre, which breaks down barriers, challenges ableist preconceptions and places Deaf, Disabled and neurodivergent* artists centre stage (*hereon referred to as Disabled artists).

Graeae's mission is to ignite artistic curiosity, pioneer a radical dramatic language, and champion accessibility. We do this by providing a diversity of platforms for new generations of artists, locally, nationally and internationally, through the creation of trail-blazing theatre.

Graeae is a disabled-led human rights company, founded on the need to tackle social injustice, discrimination and exclusion. It is fuelled by the pursuit of inclusion and artistic excellence and champions disabled people in the arts.

The company's strategic aims are to:

- **Create world-class theatre:** produce and tour high quality, high impact theatre that is unmistakably Graeae's, providing a platform for the skill and excellence of Disabled artists.
- **Find new audiences:** for Graeae and for the wider industry. Ensure the work has a lasting impact across England, unleashing creativity in regions and communities, working with groups that have little access to art and culture and on a variety of platforms.
- **Champion accessibility:** through partnerships with national and international organisations creating, supporting and advising on accessible environments and practice.
- **Nurture talent:** work with national partners to open up the arts for Disabled artists at all experience levels. Create new environments for theatre-makers to thrive and build independence.
- Promote **excellent governance** and leadership across the company, the theatre sector and other businesses. Open up routes to leadership roles for those that have been denied them.
- **Explore new creative horizons:** by scrutinising our practice and by representing a greater diversity of voices on stage.

In promoting and producing world-class theatre, led by Disabled directors, writers and performers, Graeae seeks to dismantle barriers to employment in the arts. Despite legislative progress and slowly shifting attitudes, there remains a lack of recognition of the talents of Disabled people.

The programme of work seeks to address this through our productions which showcase the skills of Disabled performers. Productions, through the creative use of sign language, audio description, captioning and relaxed environments also open up theatre to Deaf, blind, Disabled and neurodiverse audiences, ensuring that all members of the public benefit from access to the arts. Where possible, ticket prices for Disabled audience members are subsidised and shows are toured to venues across the UK which have a high standard of access for Disabled people.

Professional development training programmes provide accessible and inclusive opportunities for learning. They are delivered for aspiring actors, directors and writers to learn the skills they need to work as

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Objectives and activities (continued)

professionals. Training programmes are significantly subsidised, in recognition of the economic barriers often faced by Disabled artists, and are open to those artists throughout the UK.

Graeae's outreach programme fuels the next generation of theatre-makers and audiences. Professionally trained Disabled artists and workshop leaders act as important role models for young participants, raising aspirations and proving that a career in the arts is possible for all. Through investment in training and education, Graeae can effect change within the industry both for individuals and organisations alike, from young people through to professionals, to ensure that there are equal opportunities for all people to benefit from the arts.

The company continues to advocate equality for all Deaf, disabled and neurodivergent artists and their right to participate in all aspects of society. Despite the impact of the Equality Act, in reality, access is still very uneven in the arts. Most spaces provide only limited levels of accessibility, can cope with only a small number of disabled artists and technicians at any one time, and are capable of dealing with only a limited range of impairments.

Graeae continues to champion access in a number of ways: by using Bradbury Studios as a model of best practice in inclusive design; through authentic representation of disability in theatre; through training and outreach programmes and through advocacy work with other organisations.

Graeae's strategic planning is underpinned by sound governance and continual monitoring of work, measuring quantitatively achievements against targets as well as qualitatively through feedback from audiences and beneficiaries on their experience of Graeae's work.

Achievements and performance

2023-26 Strategy April 2023 marked the start of a new three year national strategy which will open up the cultural landscape for disabled artists, participants and audiences countrywide.

Utilising a battalion of allied arts venues and training partners, Graeae will dismantle the barriers faced by independent artists by building connections with theatres, arts organisations and training providers, establishing the next generation of arts leaders.

The strategy will deepen engagement with Disabled artists by delivering an intersectional, Disabled-led tapestry of art and culture and bold, radical, creatively-stimulating theatre.

This will be achieved through collaboration with trusted partners nationally, and in particular, the North West through cultural hubs in Merseyside, and the East in partnership with Mercury Theatre, Colchester. This cohesive approach will create new pathways to culture for Disabled people as artists, participants and audiences.

In the meantime, Graeae's London HQ "Bradbury Studios" will undergo a transformation in order to accommodate more Disabled-led arts organisations and offer affordable usage for Disabled artists.

Graeae strives to be the "National Theatre for Disabled People" and this strategy will take the organisation one step closer to that goal.

Productions and artistic activities

For the first time, in 2023 Graeae established a sustained presence outside of London, working in two areas with venues to collaborate artistically, train artists and improve access across multiple programmes:

- A base in Merseyside, working across both Shakespeare North Playhouse in Knowsley and Liverpool Everyman; organisations with new artistic leadership striving to diversify audiences and transform their offer for Disabled artists.

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A base at Mercury Theatre in Colchester; the only producing venue in Essex, with wide reach across Levelling Up areas, collaborating on a wide range of projects including new writing and artist development.

All three organisations invested in staff (two new associate artists), training (to be delivered in 2024-25) and creative projects. The co-funded associate artist posts will connect the learning across the network and help ensure that industry shift happens.

For the venues, Graeae would be an “Associate Company”.

Activities over the period reflect this collaborative approach:

- **High Times and Dirty Monsters:** A new show for young people; a co-production with 20 Stories High, Liverpool Everyman and Leeds 2023
- **Beyond:** Unlocking resources and knowledge for Disabled artists with venues nationwide
- **Self-Raising:** A show about growing up Deaf; a co-production with Soho Theatre, Theatr Iolo, performed at Edinburgh Festival, Soho and on tour including Everyman and Mercury
- **Write to Play:** Writers Teach Writing at Mercury Theatre; Crips With Chips at Liverpool Everyman
- **Youth Hub:** nurturing relationships with young Disabled people in the North West in partnership with local arts organisations

In addition, Graeae invested in opening up the arts for young people and isolated artists:

- **Children’s Company and Young Company:** Meeting most Saturdays, connecting with theatre and co-devising stories for sharing with a wider audience
- **Digital resources:** “How-to” guides, case studies, blogs and links to Graeae’s history, all through the new website launched this year – ensuring there is a permanent support for artists that are finding their own route into the arts.

High Times and Dirty Monsters

In Autumn 2023, Graeae worked with 20 Stories High, a Liverpool-based theatre company, to create a raucous, radical, celebratory and hard-hitting hip hop show for young people aged 14+. The show toured Liverpool, Newcastle, Leeds, Ellesmere Port, Derby, Manchester and London and reached audiences of 5,100 young people. A connected outreach programme reached 1,804 young people through 45 workshops.

Beyond

It was a delight to be able to continue the *Beyond* programme with a new cohort of venues and 20 new disabled artists, many of whom had never connected with Graeae before.

Graeae has a responsibility to nurture a disability arts industry with many players. As such, *Beyond* was developed to bridge relationships between artists, leaders and national partner venues to unlock resources and leadership pathways for Disabled people. In 2023, the new cohort were recruited and started their *Beyond* journey – putting the building blocks in place for more intensive engagement in 2024.

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Self-Raising

For the first time, Graeae's artistic director Jenny Sealey took to the stage to tell her story of growing up Deaf in a hearing family. This critically acclaimed production opened at Pleasance Dome, Edinburgh Festival, before transferring to Soho Theatre in London and touring the country. It reached 4,626 people on its run and led to Jenny being invited to share her *Desert Island Discs* on BBC Radio 4.

Write to Play

The long-running writer development programme mentored alumni to write their next script, become the next generation of trainers through Writers Teach Writing and shared four new powerful stories through the scratch night *Crips With Chips* at Liverpool Everyman.

Youth Hub

The training and learning team have been working with Liverpool Everyman, Shakespeare North Playhouse, 20 Stories High and Theatre Porto to identify young people who would benefit from connecting with Graeae and may be interested in a youth group. The stage is set for more collaboration in 2024.

Children's Company and Young Company

The two groups, one aimed at younger children and the other at 14+, met much more regularly this year. There are really strong bonds that have been built over a long time and the groups were able to perform a devised piece as a curtain raiser at Bernie Grants Arts Centre before *High Times and Dirty Monsters*. Theatre trips and workshops led by 20 Stories High added to the textural complexity of the offer which is helping young Disabled people build life skills, learn from professionals and have fun.

Digital Resources

Thanks to investment from Bloomberg Philanthropies, we have been able to transform our digital profile over the last year. A new website, better understanding of social media and a new audience strategy have meant that we are working more connectedly across all of our digital streams.

Additionally, we have been able to invest in a bank of digital resources which will help transform careers for disabled artists. These include:

- How to become a workshop facilitator
- Guidance on content warnings
- How to own your access needs
- How to prepare for an audition

And 39 more downloads, videos, blogs and interviews.

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Achievements and performance (continued)

Raising funds

The majority of the charity's income is provided by grants from Arts Council England and from trusts and foundations. To secure these grants the charity has to prepare detailed applications and subsequently, if successful, to provide reports to the funders on the outcome of the relevant activities. The Board considers that the time invested in fundraising activities is vital to maintaining good relationships with funders and increase the possibility of securing longer term and repeat funding. The main individual funder remains Arts Council England (ACE) through the National Portfolio. The other funders which provided grants during the year are listed in note 21 to the financial statements.

In April 2023, Graeae received an uplift on their existing grant from ACE based on a new three-year strategic plan which in which Graeae would work towards being "The National Theatre for Disabled People". The strategy firmly establishes sector-change projects such as *Beyond* and *Write to Play* as central to how the company operates, builds strong regional partnerships and enables Graeae to invest in a more nationalised workforce.

Graeae aims to achieve best practice in the way in which it communicates with funders, donors and other supporters. The majority of funding comes from organisational funders (rather than individuals), and we set high standards in the way that we present our work. Every application and communication is assessed against standards of representation, empowerment and ownership and we only approach funders with a demonstrable commitment to diversity and inclusivity.

In communicating with individual supporters, we take care with the tone and frequency of communications and the accuracy of data to minimise the pressure on supporters. Graeae is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. Graeae applies best practice to protect supporters' data and has updated its Data Management Policy and Privacy Policy in line with GDPR.

Graeae undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. The charity has received no complaints about its fundraising activities.

Plans for future periods

The three year strategy will continue in 2024-25 and 2025-26.

Productions and other artistic activities

Graeae will partner with Shakespeare North Playhouse and Theatre by the Lake on a vibrant new adaptation of *Romeo and Juliet*, touring from September 2024.

Short, Sharp Shock, a new play that highlights the experiences of young people at the Medomsley Detention Centre in the 1980s, will be performed in Newcastle in 2025.

Training, education and learning

Our investment in training and developing Disabled artists continues with:

- *Write to Play* – The Esmée Fairbairn Foundation has awarded grants which will allow this programme to continue at least to December 2024.
- Youth Programme – a multi-strand programme to develop the next generation of Disabled creative artists.

Wider strategy for the future

Graeae's strategy for 2022-26 firmly establishes its reputation as the national theatre for disabled people. Through partnerships in the North West and East of England, the company will build a lasting presence for Disabled people in the regions, opening up the arts for many people that have been denied the opportunity before. The strategy sees Graeae investing in training opportunities, collaborative productions and acknowledging its responsibilities to share skills, resources and connections with the wider disability arts sector.

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The funding strategy builds on the relative success of 2019-22, in which reserves remained within Board-agreed limits, while delivery increased and the organisation focused better on the needs of the community. However, core costs remain a challenge. In 2011-12 core funding from Arts Council England was £551,147, in 2021-22 it was £574,784; a 4% increase after ten years. In that same ten year period Graeae's headline annual rent has increased by 107% from £98,763 to £205,000.

Graeae received an uplift from Arts Council England linked to new activity in 2023-26, the continuation of the Beyond programme and two new members of staff (Associate Director North and Associate Artist East). Funding towards overheads remains the same, making for a challenging future at Bradbury Studios.

Capital Project

As part of the strategy to tackle rising overheads, there was a review of assets and their function in delivering against charitable objectives. Bradbury Studios was found to be a vital resource for Disabled artists and the risk of losing it for the community would be a major set-back to many careers and projects.

The Board decided to review usage of the building and invest in changes that would help Graeae invite more artists in future and make it a lasting home for two other Disabled-led arts organisations.

In 2023-24, designs were drawn up and fundraising commenced for a capital project. By April 2024, £590,450 had been secured meaning that works could commence. Building works will take place in 2024-25 and the new licensees will move in 2025-26. It is hoped that the new funding model will help make the building a more affordable, accessible and dynamic home to Disabled artists for the next 15 years.

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Financial review

Income

Total income for the year amounted to £1,338,023 (2023: £1,396,163) of which £1,032,730 (2023: £1,017,840) related to grants and donations receivable without which Graeae could not generate the range of productions and training, education and learning activity that it undertakes. A list of those funders is on page 38.

The charity's principal funding source during the year was Arts Council England which provided core revenue funding of £769,104 (2023: £574,784).

The charity received funds of £90,988 (2023: £116,880) from the "Access to Work" scheme run by the Department of Work and Pensions. This scheme enables the charity to reclaim some of the additional costs incurred in setting up and providing specific work-related access support. Since April 2018 the government has placed an annual cap on the specific support provided by Access to Work for the artistic director. This cap does not always cover the actual requirements of the job which varies depending on activity.

Income from charitable activities includes box office, venue fee and royalties of £52,976 (2023: £122,746), Theatre Tax Relief of £20,766 (2023: £18,052) and fees from training and workshops of £40,002 (2023: £50,477). The charity also received income of £75,448 (2023: £62,895) from trading activities (including the hire of office and rehearsal space and sales of books).

Expenditure

Total expenditure has decreased from £1,724,808 for the year ended 31 March 2023 to £1,424,987 in 2023-24.

Excluding support costs, expenditure in 2023-24 included:

- High Times and Dirty Monsters direct costs of £35,598
- Self-Raising direct costs of £146,238
- Beyond direct costs of £10,411
- New Writing costs of £103,552
- Young company and youth hubs £55,283
- Digital resources £86,819

Excluding support costs, 2022-23 included:

- *Paradis Files* direct costs of £428,934
- *This Woven O* direct costs of £25,979
- *Kerbs* direct costs of £17,074
- *Beyond* direct costs of £94,271
- *New Writing* direct costs of £76,175
- Young Company direct costs of £77,365

Deferred production costs

At 31 March 2024 deferred production costs were £19,763 relating to *Romeo and Juliet* and *Bad Lads*.

Risk management

The Board periodically reviews the major external risks to which the charity is exposed and has established systems to mitigate those risks, as far as is reasonably possible. Internal risks are mitigated via robust policies and procedures covering all areas of management, human resources, financial probity, health and safety, environmental issues and diversity targets.

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Risk management (continued)

After mitigation there remains a level of residual financial risk which the Board manages by detailed monitoring of cash flow and fundraising targets alongside a reserves policy informed by the residual risks as discussed below.

Principal risks and uncertainties

The Board is particularly concerned with risks that have the potential to cause the charity to cease operations, and have set in place policies to mitigate those risks. These include:

Lack of strategy and forward planning leading to financial management difficulties. The charity's management prepare three-year Business Plans, regularly updated, and annual budgets, reviewed quarterly by the Board against actual income and expenditure and monthly at a Departmental level. Longer term planning (five to ten years) is challenging because the premises from which Graeae operates are subject to a five yearly rent review, which can have a material effect on overheads.

Health and safety and environmental issues The Joint CEOs monitor the charity's activities, in Bradbury Studios and elsewhere, and ensures that appropriate policies are in place to provide a safe working environment and to meet other legal requirements.

Failure of an income source The charity does not commit to major projects until funds are confirmed and / or sufficient reserves are earmarked. Graeae has been confirmed as a National Portfolio Organisation by Arts Council England for the 2023-24, 2024-25 and 2025-26 financial years and so the Board considers that the charity remains a going concern.

Reserves policy

At 31 March 2024 restricted funds amounted to £1,341,660 (2023: £1,498,861) and unrestricted funds were £1,151,074 (2023: £1,080,837).

Designated funds

Some unrestricted funds have been designated by the Board to address specific areas of financial risk.

- Financial management difficulties

Annual and three year budgets are prepared by the charity and there are detailed budgets for individual productions and training projects. However, theatrical projects retain a significant level of risk around audiences, personnel, timing, and funding. In order that the charity can maintain an ambitious programme and support important outreach opportunities the Board has designated a reserve to assist with funding shortfalls: Artistic fund £30,000 (2023: £40,000). This fund will have the flexibility to be spent across the artistic programme, meaning a separate Training, education and learning fund of £20,000 was wound down to £nil.

The Esmée Fairbairn Foundation has supported Graeae's new writing programme since 2013. Their main grant (£100,000 per year for two years) covers the period January 2023 to December 2025. A designated fund of £35,000, to be released in 24/25, reflects the higher spend in that funding year.

The charity occupies leased premises that are subject to an upward rent review every five years. The Board originally designated a reserve to partially offset the effect of these increases: Leasehold property. The charity has now reduced this reserve to £nil, the Board choosing not to hold a designated fund for unknown operating cost.

During the year, Graeae embarked on a feasibility study and fundraising drive for a capital project linked to their main premises in Hoxton. The designated fund for the pre-project costs related to the management and advice required for this project was £30,000. The total cost of the project was £34,428 so this fund is now £nil.

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Reserves policy (continued)

Designated funds (continued)

The Board is aware of the importance of investment in succession planning and skills' development and has designated a fund to support this investment: Strategic development fund £20,000 (2023: £20,000).

A marketing fund has been reduced during the year due to the higher investment in 2023 meaning there are fewer risks of unplanned expenditure in the immediate future. The Marketing fund is £2,000 (2023: £10,000).

Fixed asset purchases impact operational budgets over more than one year. The Board designates funds to cover the cost of purchasing and replacing fixed assets where these are not funded by specific grants: Fixed asset fund £12,732 (2023: £17,563). The relevant depreciation is offset against the fund each year.

- Building liability

The charity has a responsibility for the health and safety of people working in and visiting Bradbury Studios. In order to maintain a safe and pleasant working environment the Board has designated a fund for periodic equipment and building maintenance and for unplanned major repairs: Sinking fund £100,000 (2023: £100,000).

- Loss of income source

The charity obtains financial support from the government's Access to Work Scheme. Not all access expenses are met by the scheme. However, a previously established Access Fund (2023: £25,000) was wound down in order to properly reflect the irreclaimable access in the year in which it was incurred.

Further details about the designated funds can be found in note 15 to the financial statements.

The Board is also aware that failure to comply with regulatory requirements could have potential for significant financial impact on the charity (fines) or closure but considers that it is inappropriate to make specific financial provision for such matters.

General funds

After designating funds to address particular risks the Board aims to hold unrestricted general funds in the region of six months' operating costs. Unrestricted general funds at 31 March 2024 amounted to £951,342 (2023: £783,274). The average monthly operating cost during the year (which excludes the direct costs of productions and training) was £65,630 (2023: £62,350). The balance of undesignated general funds at 31 March 2024 based on past costs represents 15.2 months of operating costs (2023: 12.6 months). In the current economic climate the Board is comfortable with holding this level of general funds.

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Report of the Trustees for the year ended 31 March 2024

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

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

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

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

This report was approved by the Board on 11 December 2024 2024 and signed on its behalf by:



Samantha Tatlow MBE
Chair

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Independent auditor's report to the members of The Graeae Theatre Company Limited

Opinion

We have audited the financial statements of The Graeae Theatre Company Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet and the statement of cash flows, and the notes to the financial statements including the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company and 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.

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Independent auditor's report to the members of The Graeae Theatre Company Limited

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the charitable company financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report.

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Independent auditor's report to the members of The Graeae Theatre Company Limited

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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 and reviewed journal entries to identify unusual transactions;
- Tested authorisation of expenditure;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated 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:

- Ensuring that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Identifying the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- Ensuring that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- Focussing on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to relevant financial reporting standards, the Charities Act 2011 and the Companies Act 2006;
- Agreeing financial statements disclosures to underlying supporting documentation;
- Reading the minutes of trustee meetings; and
- Enquiring of as to actual and potential litigation and claims.

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Independent auditor's report to the members of The Graeae Theatre Company Limited

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

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

A further description of our responsibilities 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 auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, appearing to read 'Bizzacott LLP', is positioned above the printed name of the auditor.

Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL
Date: 18 December 2024

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Financial Activities (incorporating an income and expenditure account)
For the Year Ended 31 March 2024

	Notes	Restricted Funds	Unrestricted Funds General	Designated	Total Funds 2024
		£	£	£	£
Income from:					
Donations and grants	2	188,762	843,968	-	1,032,730
Charitable activities	3	90,988	113,744	-	204,732
Other trading activities	4	-	75,448	-	75,448
Investments	5	-	25,113	-	25,113
Total		<u>279,750</u>	<u>1,058,273</u>	<u>-</u>	<u>1,338,023</u>
Expenditure on:					
Raising funds	6	98,071	218,074	-	316,145
Charitable activities	7	255,869	812,800	40,173	1,108,842
Total		<u>353,940</u>	<u>1,030,874</u>	<u>40,173</u>	<u>1,424,987</u>
Net (expenditure) income	11	(74,190)	27,399	(40,173)	(86,964)
Transfers between funds	15	(83,011)	140,669	(57,658)	-
Net movement in funds		<u>(157,201)</u>	<u>168,068</u>	<u>(97,831)</u>	<u>(86,964)</u>
Reconciliation of funds:					
Total funds brought forward		1,498,861	783,274	297,563	2,579,698
Total funds carried forward	15	<u>1,341,660</u>	<u>951,342</u>	<u>199,732</u>	<u>2,492,734</u>

The Statement of Financial Activities includes all gains and losses recognised in the above financial year.

All income and expenditure derive from continuing activities during the above financial year.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Financial Activities (incorporating an income and expenditure account)
For the Year Ended 31 March 2023

	Notes	Restricted Funds	Unrestricted Funds General	Designated	Total Funds 2023
		£	£	£	£
Income from:					
Donations	2	418,459	579,381	20,000	1,017,840
Charitable activities	3	116,880	191,275	-	308,155
Other trading activities	4	-	62,895	-	62,895
Investments	5	-	7,273	-	7,273
Other income	6	-	-	-	-
Total		<u>535,339</u>	<u>840,824</u>	<u>20,000</u>	<u>1,396,163</u>
Expenditure on:					
Raising funds	7	53,130	171,020	-	224,150
Charitable activities	8	605,471	831,510	63,677	1,500,658
Total		<u>658,601</u>	<u>1,002,530</u>	<u>63,677</u>	<u>1,724,808</u>
Net (expenditure) income	11	(123,262)	(161,706)	(43,677)	(328,645)
Transfers between funds	15	(82,944)	144,895	(61,951)	-
Net movement in funds		<u>(206,206)</u>	<u>(16,811)</u>	<u>(105,628)</u>	<u>(328,645)</u>
Reconciliation of funds:					
Total funds brought forward	15	<u>1,705,067</u>	<u>800,085</u>	<u>403,191</u>	<u>2,908,343</u>
Total funds carried forward	15	<u>1,498,861</u>	<u>783,274</u>	<u>297,563</u>	<u>2,579,698</u>

The Statement of Financial Activities includes all gains and losses recognised in the above financial year.

All income and expenditure derive from continuing activities during the above financial year.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Balance Sheet at 31 March 2024

	Notes	2024	2023
		£	£
Fixed assets:			
Tangible assets		1,251,701	1,338,302
Heritage assets		1,300	1,300
<i>Total fixed assets</i>	12	1,253,001	1,339,602
Current assets:			
Debtors	13	145,244	224,077
Cash at bank and in hand		1,161,353	1,153,677
<i>Total current assets</i>		1,306,597	1,377,754
Liabilities:			
Creditors: amounts falling due within one year	14	66,864	137,658
<i>Net current assets</i>		1,239,733	1,240,096
<i>Total net assets</i>		2,492,734	2,579,698
The funds of the charity:			
Restricted Funds	15	1,341,660	1,498,861
Unrestricted Funds			
Designated	15	199,732	297,563
General	15	951,342	783,274
<i>Total charity funds</i>		2,492,734	2,579,698

Approved by the Board on 11 December 2024 and signed on its behalf by



.....
Samantha Tatlow
Chair

Company no. 01619794

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 March 2024

	Notes	2024	2023
		£	£
Cash flows from operating activities:			
<i>Net cash (used in) generated by operating activities</i>	A	<u>(16,196)</u>	<u>105,005</u>
Cash flows from investing activities			
Interest received		25,113	7,273
Purchase of tangible fixed assets		<u>(1,241)</u>	<u>(8,556)</u>
<i>Net cash generated by (used in) investing activities</i>		<u>23,872</u>	<u>(1,283)</u>
<i>Change in cash and cash equivalents in the year</i>		7,676	(106,288)
Cash and cash equivalents at 1 April 2023		<u>1,153,677</u>	<u>1,259,965</u>
<i>Cash and cash equivalents at 31 March 2024</i>		<u>1,161,353</u>	<u>1,153,677</u>

A Reconciliation of net income to net cash flow from operating activities

<i>Net (expenditure) income for the reporting period</i>	86,964	(328,645)
Adjustments for:		
Depreciation charges	87,842	95,184
Interest received	(25,113)	(7,273)
Decrease in debtors	98,833	200,762
Decrease in creditors	<u>(70,794)</u>	<u>(65,033)</u>
<i>Net cash (used in) generated by operating activities</i>	<u>(16,196)</u>	<u>105,005</u>

No separate reconciliation of net debt has been prepared as there is no difference between the net cash/(debt) of the charity and the above cash and cash equivalents.

1 ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared for the year to 31 March 2024 under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

(b) Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- estimating the allocation of support costs between activities;
- estimating the useful economic life of tangible fixed assets;
- estimating the value of donated services and gifts.
- assessing the appropriateness of deferring production costs under policy (f) (3) on page 23.

(c) Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

(d) Income

(1) Donations and legacies, including grants which are not conditional on delivering certain levels of activity, are recognised when these are receivable unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-conditions have been met and until then are treated as deferred income. Donations and grants for particular purposes are identified as restricted funds.

(2) Income from box office and venue fees is included in income in the period in which the relevant production takes place.

(3) Theatre Tax Relief claimable by the charity is recognised as income in the year in which the eligible expenditure is incurred.

(4) Other income is recognised on a receivable basis when there is legal entitlement to receipt.

(5) Income relating to rentals in a subsequent period is treated as deferred income.

(6) The value of donated services and gifts in kind provided to the charity are recognised as income at their open market value in the period in which they are receivable, where the benefit to the charity can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities or capitalised as appropriate.

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

1 ACCOUNTING POLICIES (continued)

(e) Expenditure

- (1) Expenditure is accounted for on an accruals basis.
- (2) Expenditure on raising funds comprises those costs incurred in attracting donations, grants and trading income, plus a proportion of the underlying support costs of the company.
- (3) Expenditure on charitable activities comprises those costs incurred on productions, other artistic activities, training and outreach programmes, and grants made to organisations and individuals. It includes both costs that can be allocated directly to those activities plus a proportion of the underlying support costs of the company.
- (4) Core staff costs, office administrative expenses and premises costs are allocated to the costs of raising funds and charitable activities on an estimate of time spent by staff supporting these activities.
- (5) Governance costs, which comprise costs directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements, are included within administrative expenses.

(f) Productions

- (1) For productions occurring wholly within one financial year box office and venue fees are recognised in that year and costs are recognised as incurred. Typically costs are incurred in advance of income being generated.
- (2) Where a production spans the year-end and is expected to be loss making, the expected loss is recognised in full in the year in which the loss is foreseen.
- (3) Where production set up costs have been incurred prior to the year-end but the production has not yet opened, the set up costs are carried forward at the balance sheet date as deferred production costs until such time as the production opens.
- (4) Where Graeae Theatre Company Limited acts as a financially contributing co-producer only that contribution is recognised in the year it is granted.

(g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Assets costing less than £500 are not capitalised. Depreciation is provided on a straight line basis to write off the assets over their anticipated useful economic lives, as follows:

Leasehold property	30 years
Computer equipment	2 years
Office equipment, production equipment, motor vehicles	4 years

Assets under development, being the accumulated costs of designing and building bespoke equipment, are included under tangible fixed assets but are not depreciated until the assets are brought into use. If a decision is made to discontinue development then the accumulated costs are written off in the year that decision is made.

(h) Heritage assets

Heritage assets are works of art which are held and maintained principally for their contribution to knowledge and culture. Heritage assets are not depreciated.

(i) Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material. Other debtors include an estimate of Theatre Tax Relief claimable by the charity.

1 ACCOUNTING POLICIES (continued)

(j) Cash at bank and in hand

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

(k) Creditors and provisions

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

(l) Fund structure

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

Designated funds comprise monies set aside out of unrestricted general funds for specific future purpose or projects.

Restricted funds comprise i) monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions, and also ii) the net book value of tangible fixed assets is included in restricted funds where those assets are funded through restricted grants or donations which require the charity to hold those assets on an ongoing basis for a specific purpose.

(m) Operating lease commitments

Rentals payable under operating leases are charged against expenditure as incurred over the lease term

(n) Pension commitments

The company contributes to a defined contribution pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions paid and payable in the year by the company.

(o) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

(p) Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Listed investments are a basic financial instrument as detailed above. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

(q) Taxation

The company is a registered charity and is therefore not liable for corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

(r) Grant making

Grants to organisations and individuals are accounted for when the award is made.

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

2 INCOME FROM DONATIONS AND GRANTS

	Restricted	Unrestricted	2024	Restricted	Unrestricted	2023
	£	£	Total	£	£	Total
			£			£
Arts Council England (ACE)	-	769,104	769,104	-	574,784	574,784
Other grants received (see note 21)	188,762	36,250	225,012	418,459	20,000	438,459
Donations	-	38,614	38,614	-	4,597	4,597
Total voluntary income	188,762	843,968	1,032,730	418,459	599,381	1,017,840

The funding from Arts Council England and the grants from other funders included under this heading are provided to help the company implement its business plan or to support particular projects but entitlement to the grant is not conditional on fulfilling specific performance-related conditions.

3 INCOME FROM CHARITABLE ACTIVITIES

	Restricted	Unrestricted	2024	Restricted	Unrestricted	2023
	£	£	Total	£	£	Total
			£			£
Venue fees and royalties	-	52,976	52,976	-	122,746	122,746
Fees from training, workshops and other artistic	-	40,002	40,002	-	50,477	50,477
Theatre Tax Relief (TTR)	-	20,766	20,766	-	18,052	18,052
Access to Work	90,988	-	90,988	116,880	-	116,880
Total income from charitable activities	90,988	113,744	204,732	116,880	191,275	308,155

4 INCOME FROM OTHER TRADING ACTIVITIES

	Restricted	Unrestricted	2024	Restricted	Unrestricted	2023
	£	£	Total	£	£	Total
			£			£
Income from hire of space and equipment	-	48,820	48,820	-	56,676	56,676
Sales of merchandise and other income	-	26,628	26,628	-	6,219	6,219
Total income from other trading activities	-	75,448	75,448	-	62,895	62,895

5 INCOME FROM INVESTMENTS

	Restricted	Unrestricted	2024	Restricted	Unrestricted	2023
	£	£	Total	£	£	Total
			£			£
Interest on deposit accounts	-	25,113	25,113	-	7,273	7,273
Total income from investments	-	25,113	25,113	-	7,273	7,273

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

6 EXPENDITURE ON RAISING FUNDS

	Restricted £	Unrestricted £	2024 Total £	Restricted £	Unrestricted £	2023 Total £
Expenditure on raising grants and donations	-	66,657	66,657	-	63,764	63,764
Expenditure on digital infrastructure	84,321	-	84,321	39,960	-	39,960
Expenditure on other trading activities	-	34,428	34,428	-	14,092	14,092
Support costs for raising funds	13,750	116,989	130,739	13,170	93,164	106,334
Total expenditure on raising funds	98,071	218,074	316,145	53,130	171,020	224,150

In 2022-24 the company was awarded funding from the Bloomberg Digital Accelerator Programme to be used in the development of its website and audiences. Expenditure against this programme is recorded as restricted digital infrastructure in expenditure on raising funds.

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Restricted £	Unrestricted £	2024 Total £	Restricted £	Unrestricted £	2023 Total £
Productions and other artistic	-	190,059	190,059	322,785	188,514	511,299
Support costs for productions and other artistic	39,205	333,572	372,777	57,154	404,315	461,469
Training, education and learning (TEL)	178,631	5,745	184,376	194,517	82,948	277,465
Support costs for TEL	38,033	323,597	361,630	31,015	219,410	250,425
Total expenditure on charitable activities	255,869	852,973	1,108,842	605,471	895,187	1,500,658

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

8 ANALYSIS OF SUPPORT COSTS

Support costs are allocated by management estimates of the proportion of staff time spent supporting the three main activities, as follows:

	Raising funds	Productions and other artistic	Training education and learning	2024 Total
Allocation for year ended 31 March 2024	15%	43%	42%	100%
	£	£	£	£
Staff	65,530	186,846	181,258	433,634
Premises	49,530	141,226	137,003	327,759
Administration	15,679	44,706	43,369	103,754
	130,739	372,778	361,630	865,147
				2023 Total
Allocation for year ended 31 March 2023	13%	56%	31%	100%
	£	£	£	£
Staff	48,250	209,395	113,633	371,278
Premises	36,167	156,956	85,175	278,298
Administration	21,917	95,118	51,617	168,652
	106,334	461,469	250,425	818,228

9 ANALYSIS OF STAFF COSTS

<u>Employees</u>	2024 £	2023 £
Salaries and wages	507,649	542,070
Social security costs	44,145	44,418
Pension costs	34,889	34,209
Total employee costs	586,683	620,697

The company operates a defined contribution pension scheme. At 31 March 2024, there were 17 employees (2023: 15) with retirement benefits accruing under this scheme.

The average head count (number of staff employed) on the payroll during the year (including casual and part-time staff) was 17.25 (2023: 18.5).

The average number of full-time equivalent employees on the payroll during the year (including casual and part-time staff) was 13.3 (2023: 14.9).

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

10 ANALYSIS OF STAFF COSTS (continued)

There were two employees during the year with emoluments (excluding pension contributions) between £60,001 and £70,000 (2023: one).

The key management personnel are the trustees, the Joint Chief Executive Officers, and the Finance Director. The trustees were not paid during the year or the prior year. The salary and pensions paid for the other key management personnel in respect of their services to the charity are shown below.

	Salary	NI	Pension	2024 Total
	£	£	£	£
Jenny Sealey, joint CEO and Artistic Director	65,000	7,715	4,550	77,265
Kevin Walsh, joint CEO	61,500	7,232	4,095	72,827
Matt Jones, Finance Director	52,250	5,955	3,658	61,863
				211,955

	Salary	NI	Pension	2023 Total
	£	£	£	£
Jenny Sealey, joint CEO and Artistic Director	60,600	7,480	4,200	72,280
Kevin Walsh, joint CEO	55,350	6,712	3,780	65,842
Charles Mills, Finance Director (outgoing)	32,354	3,652	2,145	38,151
Matt Jones, Finance Director (incoming)	21,213	2,404	1,450	25,067
				201,340

Pay multiples of full time equivalent earnings for monthly paid staff at the start of the financial year	2024	2023
Highest to median	2.0	2.0
Highest to lowest	3.0	3.0

<u>Non-payroll</u>	2024	2023
In addition to employees paid through the payroll the company contracts with specific individuals to provide services in relation to the company's activities. These individuals include actors, musicians, directors, choreographers, designers, stage managers, duty managers, practitioners, facilitators, access support workers, interpreters, fundraisers, marketing consultants and financial consultants.	£	£
The total costs associated with these additional individuals is:	295,849	442,424

11 NET INCOME BEFORE TRANSFERS	2024	2023
	£	£
Net income before transfers is stated after charging:		
Depreciation	87,849	95,184
Auditor's remuneration (statutory audit)	15,180	14,450

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

12 FIXED ASSETS

	Heritage assets £	Computer Equipment £	Production Equipment £	Office Equipment £	Leasehold Property £	Total £
COST						
At 31 March 2023	1,300	60,728	124,326	120,031	2,443,033	2,749,418
Additions	-	1,241	-	-	-	1,241
At 31 March 2024	<u>1,300</u>	<u>61,969</u>	<u>124,326</u>	<u>120,031</u>	<u>2,443,033</u>	<u>2,750,659</u>
DEPRECIATION						
At 31 March 2023	-	56,884	124,326	109,981	1,118,625	1,409,816
Charge for the year	-	3,844	-	2,563	81,435	87,842
At 31 March 2024	<u>-</u>	<u>60,728</u>	<u>124,326</u>	<u>112,544</u>	<u>1,200,060</u>	<u>1,497,658</u>
NET BOOK VALUES						
At 31 March 2024	<u>1,300</u>	<u>1,241</u>	<u>-</u>	<u>7,487</u>	<u>1,242,973</u>	<u>1,253,001</u>
At 31 March 2023	<u>1,300</u>	<u>3,844</u>	<u>-</u>	<u>10,050</u>	<u>1,324,408</u>	<u>1,339,602</u>

The heritage asset is a painting of Nabil Shaban by Eleanor Johnson which was donated to the company in November 2016.

13 DEBTORS

	2024 £	2023 £
Trade debtors	36,797	53,211
Other debtors and prepayments	88,774	153,716
Deferred production costs	19,673	17,150
	<u>145,244</u>	<u>224,077</u>

**14 CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR**

	2024 £	2023 £
Trade creditors	11,985	58,290
Other taxes and social security	15,976	14,708
Deferred income	-	5,318
Other creditors and accruals	38,903	59,342
	<u>66,864</u>	<u>137,658</u>

The company operates a defined contribution scheme for its employees.
There were contributions due in creditors of £4,748 at 31 March 2024 (2023 £4,210).

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

15 MOVEMENTS IN FUNDS

	At 31 March 2023	Income	Expenditure	Transfers to General	Transfers from General	At 31 March 2024
	£	£	£	£	£	£
<u>Restricted funds</u>						
Leasehold property, including ACE Sustain	1,318,861	-	-	(81,133)	-	1,237,728
Equipment grants	3,370	-	-	(1,878)	-	1,492
Cross project grants	85,040	25,000	(84,321)	-	-	25,719
Productions and other artistic activities	-	-	-	-	-	-
Training, education and learning	91,590	163,762	(178,631)	-	-	76,721
Access to Work	-	90,988	(90,988)	-	-	-
Total restricted funds	1,498,861	279,750	(353,940)	(83,011)	-	1,341,660
<u>Unrestricted funds</u>						
<u>Designated funds</u>						
New writing fund	35,000	-	-	-	-	35,000
Artistic fund	40,000	-	-	(10,000)	-	30,000
Training, education and learning	20,000	-	(5,745)	(14,255)	-	-
Marketing fund	10,000	-	-	(8,000)	-	2,000
Strategic development fund	20,000	-	-	-	-	20,000
Fixed asset fund	17,563	-	-	(4,831)	-	12,732
Access fund	25,000	-	-	(25,000)	-	-
Sinking fund	100,000	-	-	-	-	100,000
Leasehold property operational fund	-	-	-	-	-	-
Leasehold property capital fund	30,000	-	(34,428)	-	4,428	-
Total designated funds	297,563	-	(40,173)	(62,086)	4,428	199,732
General funds	783,274	1,058,273	(1,030,874)	145,097	(4,428)	951,342
Total unrestricted funds	1,080,837	1,058,273	(1,071,047)	83,011	-	1,151,074
Total funds	2,579,698	1,338,023	(1,424,987)	-	-	2,492,734

Summary of transfers between restricted funds and unrestricted funds
 Depreciation of assets purchased with restricted funds

83,011

83,011

-

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

15 MOVEMENTS IN FUNDS (continued)

	At 1 April 2022 £	Income £	Expenditure £	Transfers to General £	Transfers from General £	At 31 March 2023 £
<u>Restricted funds</u>						
Leasehold property, including ACE Sustain	1,399,994	-	-	(81,133)	-	1,318,861
Equipment grants	5,249	-	-	(1,879)	-	3,370
Cross project grants	85,576	155,000	(155,604)	-	68	85,040
Productions and other artistic activities	185,444	106,159	(291,603)	-	-	-
Training, education and learning	28,804	157,300	(94,514)	-	-	91,590
Access to Work	-	116,880	(116,880)	-	-	-
Total restricted funds	1,705,067	535,339	(658,601)	(83,012)	68	1,498,861
<u>Unrestricted funds</u>						
Designated funds						
New writing fund	140,716	20,000	(63,677)	(62,039)	-	35,000
Artistic fund	40,000	-	-	(12,443)	12,443	40,000
Training, education and learning	20,000	-	-	-	-	20,000
Marketing fund	15,096	-	-	(5,096)	-	10,000
Strategic development fund	25,200	-	-	(5,200)	-	20,000
Fixed asset fund	21,179	-	-	(12,172)	8,556	17,563
Access fund	25,000	-	-	(6,801)	6,801	25,000
Sinking fund	100,000	-	-	(2,382)	2,382	100,000
Leasehold property operational fund	16,000	-	-	(16,000)	-	-
Leasehold property capital fund	-	-	-	-	30,000	30,000
Total designated funds	403,191	20,000	(63,677)	(122,133)	60,182	297,563
General funds	800,085	840,824	(1,002,530)	205,145	(60,250)	783,274
Total unrestricted funds	1,203,276	860,824	(1,066,207)	83,012	(68)	1,080,837
Total funds	2,908,343	1,396,163	(1,724,808)	-	-	2,579,698

Summary of transfers from restricted funds to unrestricted funds

Depreciation of assets purchased with restricted funds	83,012	
Transfer from general to cover restricted cost of TL programme		(68)
	<u>83,012</u>	<u>(68)</u>

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

15 MOVEMENTS IN FUNDS (continued)

Restricted funds

Leasehold property fund

The leasehold property fund was set up in 2007-08 for funding received in the development of the Bradbury Studios. The building was acquired under a 30-year lease. The transfer for the year represents the annual depreciation charge.

Equipment grants

These funds represent grants received to contribute to the cost of purchasing, developing or maintaining specific assets. No grants were received during the year (2023: £nil). During the year £1,878 (2023: £1,879) was applied for depreciation on the assets purchased, maintenance costs, and costs incurred on equipment no longer being developed.

Cross project grants

These are grants that support a range of Graeae's activities. During 2023-24 Graeae received the balance of £25,000 (for a total £150,000 received) from Bloomberg Philanthropies as part of their Digital Accelerator Programme. £84,321 of which was spent in 2023-24. (2022-23: £39,960)

Productions and other artistic activities

There were no restricted production grants received or expended in 2023-24

Training, education and learning

Grants totalling £163,762 (2023: £157,300) were received in the year to contribute to the costs of the youth programme, the new writing programmes *Write to Play* and *Play Labs*, Ensemble, the Beyond project and other workshop activities. £178,631 was spent in-year.

Access to Work

The company receives funds from the Department of Work and Pension's "Access to Work" scheme. The scheme enables the company to reclaim some of the additional costs incurred in setting up and providing work-related access support.

15 MOVEMENTS IN FUNDS (continued)

Unrestricted funds

General funds

General funds represent those funds that are unrestricted and are not designated for other specific purposes.

New Writing fund

Funding received in 2023-24 was £107,500 with expenditure of £138,148.

Rather than release designated funds to cover the difference, it was decided that £35,000 funds would be preserved for anticipated net spend in 2024-25.

Artistic Fund

The artistic fund allows the company to develop a more strategic and ambitious programme in the future. In 2023-24 £10,000 was released from the fund to support Graeae's production of *Self Raising*, which was additional activity for the year.

£30,000 was preserved in the fund to support all additional activity to programme in future years, including in the training and learning department.

Training, education and learning fund

This fund supported important outreach opportunities which may not been funded through specific grants.

The Board has agreed to release this fund to general at 31 March 2024.

Marketing fund

The marketing fund is available to support marketing and publicity costs of future projects. As the fund has been underutilised in prior years, the Board has agreed to release £8,000 to our general funds and to maintain this fund at £2,000 at 31 March 2024.

Strategic Development Fund

The strategic development fund supports investment in succession planning, skills development, strategic advice and fundraising activities. This fund was not utilised during 2023-24 due to the audience development grant received through the Bloomberg Digital Accelerator Programme. At 31 March 2024 the board has agreed to set this fund at £20,000 for the purposes of the development of our new fundraising programme and corporate workshop strategy.

Fixed asset fund

The fixed asset fund is to cover the cost of purchasing and replacing fixed assets where these are not funded by specific grants. During the year £4,831 (2023: £12,172) was utilised in respect of depreciation on assets.

15 MOVEMENTS IN FUNDS (continued)

Unrestricted funds

Access fund

Disabled people make up 45%-55% of the workforce in any given year. This fund is set up to support access costs that are not covered by Access to work or by specific grants. It was not utilised in 2023-24 (2023: £6,801) The Board has agreed to release the funds to general at 31 March 2024.

Sinking fund

The sinking fund has been set up to cover equipment maintenance, general wear and tear of the building and unplanned maintenance. The fund was not utilised during the year. (2023: £2,382) The Board has agreed to maintain this fund at £100,000 at 31 March 2024

Leasehold Property operational fund.

The leasehold property operational fund was originally set up to provide for the anticipated quinquennial rent reviews under the lease and increases in costs of the building generally. During the 2022-23 financial year we have taken the advice of our auditors that it is not common practice to designate funds for unknown operational costs and so with the Board's agreement this fund was released in 2022-23.

Leasehold Property capital fund.

During 2024-25 Graeae is embarking on a project to make capital adjustments to Bradbury Studios to allow the better utilisation of this asset. This fund was set up to provide for the initial legal and project related costs related to these works. As of April 1, 2024, all funds were expended and future project costs will be provided by grants secured for the project.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted	Unrestricted	Unrestricted	2024
		General	Designated	Total
	£	£	£	£
Fixed assets	1,237,728	1,300	13,973	1,253,001
Current assets	113,448	1,007,390	185,759	1,306,597
Current liabilities	(9,516)	(57,348)	-	(66,864)
At 31 March 2024	1,341,660	951,342	199,732	2,492,734
				2023
	Restricted	Unrestricted	Unrestricted	Total
		General	Designated	
	£	£	£	£
Fixed assets	1,320,739	1,300	17,563	1,339,602
Current assets	200,584	897,170	280,000	1,377,754
Current liabilities	(22,462)	(115,196)	-	(137,658)
At 31 March 2023	1,498,861	783,274	297,563	2,579,698

17 CAPITAL COMMITMENTS

The company had no capital commitments at 31 March 2024 or at 31 March 2023.

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

18 OPERATING LEASE COMMITMENTS

At 31 March 2024 the charity was committed to making the following payments under non-cancellable operating leases:

	2024	2023
	£	£
Land and buildings - operating leases payments due		
In under one year	120,000	137,700
Later than one year and not later than two years	120,000	121,475
Later than two years and not later than five years	360,000	360,000
Later than five years	1,115,507	1,235,507
	1,715,507	1,854,682
Plant and machinery - operating leases payments due		
In under one year	2,000	2,000
Later than one year and not later than two years	2,000	2,000
Later than two years and not later than five years	1,000	3,000
	5,000	7,000

The lease agreement for the premises at Bradbury Studios is subject to a quinquennial rent review. (see also note 19). The next review is due at 18 July 2028.

Following the year end, the company has renewed a lease on a store in Erith for one (1) further year, expi

19 LEGAL CHARGE

On 24 November 2008, the company signed a lease relating to premises at Bradbury Studios, 138 Kingsland Road, London, E2 8DY for a term of 30 years expiring 17 July 2038. The lease premium paid was £1,000,000 plus VAT of £175,000.

Arts Council England (ACE) provided a grant to cover the cost of the premium and other costs relating to the premises. It was a condition of the grant that ACE have a fixed and floating security over the assets of the company. The charge is also dated 24 November 2008.

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

20 RELATED PARTY TRANSACTIONS

<u>Payments to Trustees</u>	2024
	£

Ayzah Ahmed	Appointed 09/19/23	540
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Board Member Ayzah Ahmed is also engaged in a freelance capacity as Young Associate. Ayzah came through Graeae's Young Company and is now starting life as a professional artist. It is important that the next generation of artists are represented on Graeae's Board. The payments for work delivered are linked to running workshops for the next Young Company cohort and are not remuneration for her responsibilities as Board Member.

Board member Robin Cantrill Fenwick is also a trustee of the North East Theatre Trust. During the year the charity received box office income of £1,498 (2023 - £nil) from the North East Theatre Trust.

No Trustees were remunerated for attendance at Board meetings or work undertaken by the Trustees

No Trustees received any reimbursed expenses during the year (2023 - none).

Notes to the Financial Statements
For the Year Ended 31 March 2024 (continued)

21 OTHER GRANTS RECEIVED

	Restricted	Unrestricted	2024 Total	Restricted	Unrestricted	2023 Total
	£	£	£	£	£	£
Note 2 - income from donations						
Arts Council England project grant	-	-	-	102,409	-	102,409
Garfield Weston	0	35,000	35,000	30,000	-	30,000
Bloomberg Digital Accelerator Programme	25,000	-	25,000	125,000	-	125,000
City Bridge Trust	56,012	-	56,012	57,300	-	57,300
Esmée Fairbairn Foundation	100,000	-	100,000	100,000	20,000	120,000
Keith Howard Foundation	3,000	-	3,000	-	-	-
Beyond Hull Project Funding	3,000	-	3,000	-	-	-
Katie Bradford Arts Trust	-	1,000	1,000	-	-	-
Theatre Partners - Microbursaries	1,750	-	1,750	-	-	-
British Council Bangladesh WOW	-	250	250	-	-	-
Vision Foundation	-	-	-	3,750	-	3,750
	188,762	36,250	225,012	418,459	20,000	438,459

22 POST BALANCE SHEET EVENTS

In April 2024, Graeae received confirmation that the organisation had been successful in an application for capital funding from Arts Council England. The grant and matched grant funding will cover the cost to redevelop the leased premises, facilitating additional income from licencees.

Graeae Theatre Company Limited

Post-audit management report

Year ended 31 March 2024

The Trustees
Graeae Theatre Company
Bradbury Studios
138 Kingsland Road
London E2 8DY

18 December 2024

Post-audit management report for Graeae Theatre Company Limited for the year ended 31 March 20234

This post-audit management report presents the observations and matters which came to our attention during our audit, which are considered to be significant, as required by International Standard on Auditing (UK) 260.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

We would like to take this opportunity to thank the finance team for their assistance provided during the course of our audit.

Yours faithfully

A handwritten signature in black ink that reads 'Buzzacott LLP'.

Catherine Biscoe

for Buzzacott LLP

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Key contacts
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Buzzacott LLP, 130 Wood Street,
London, EC2V 6DL

Executive summary

Purpose of the external audit

The purpose of this report is to bring to the attention of the Board as those charged with governance the findings from our recent audit of the financial statements of Graeae Theatre Company Limited, for the year ended 31 March 2024, for your consideration and to enable you to address matters arising where appropriate. Throughout this report, “you” and “your” refer to the Board. “We” and “our” refer to Buzzacott LLP.

As auditor, we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements for the year ended 31 March 2024 that have been prepared by management with the oversight of those charged with governance, and other matters required by legislation.

Our work has been carried out in accordance with our audit planning letter dated 11 July 2024. We summarise our main findings below and provide more detail in the following pages.

In summary, we report that:

- during the audit we identified adjustments to be made to the financial statements, further detail is given in Appendix 1;
- except for immaterial items listed in Appendix 1, no misstatements were identified during our audit that remain unadjusted;
- the key risk areas highlighted during our planning process have been adequately addressed during our audit work;
- our work highlighted no significant deficiencies in the systems operated by the charity;
- other observations and recommendations arising from our audit work are detailed in Appendix 2; and
- we anticipate issuing an unqualified and unmodified audit opinion on the accounts.

The matters raised in this report have been discussed with Kevin Walsh.

Audit progress

Our audit work was originally scheduled to be carried out in July, in order for the accounts to be ready for approval at the September Trustees' meeting. This timetable was based on a complete balancing set of financial statements being available for the start of the audit in July.

At the start of the planned audit a number of discrepancies were identified in the financial statements, and although some work could be completed in July, the fieldwork was postponed until a complete and corrected set of financial statements were available. These were eventually completed with the assistance of an independent contractor in November, and we have worked closely with management to complete our audit in time for the accounts to be approved and submitted ahead of the December filing deadline.

We would like to take this opportunity to thank all those with whom we dealt during the audit for their assistance and co-operation, in particular Kevin Walsh and Susanne Baumann

Auditor's report

We do not propose any modifications to our audit opinion and, therefore, we intend to issue an unqualified opinion in our auditor's report.

The wording of our auditor's report is unchanged from last year.

Accounting and internal controls systems

Our work during the audit included an examination of some of the charity's transactions, procedures and controls with a view to expressing an opinion on the financial statements for the year ended 31 March 2024.

This work was not directed primarily towards discovering weaknesses, other than those that would affect our audit opinion, or towards the detection of fraud. We have included in this report only matters that have come to our attention as a result of our normal audit procedures and consequently our comments should not be regarded as a comprehensive record of all weaknesses that may exist or of all improvements that might be made.

We found no significant deficiencies in the accounting and internal control systems during our audit. However, we have made some recommendations for improvements, which are detailed in the key audit findings section of this report.

Prior year's post audit report

We are pleased to report that the matters raised in our report last year have been satisfactorily dealt with except for the issues relating to the fixed asset register.

Accounting policies, accounting estimates and disclosures

Other than as described below, the accounting policies used in preparing the financial statements are unchanged from the previous year.

Our work included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies and estimation techniques adopted by the charity. We found the disclosed accounting policies, significant accounting estimates and the overall disclosure and presentation to be appropriate for the charity.

Key audit findings

Annual Report and Financial Statements format

The financial statements have been prepared, as last year, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102).

There are no significant changes to the format of the financial statements this year.

Adjustments made during the audit

A list of the adjustments which have been made to the figures presented to us for audit is attached in Appendix 1. These have all been discussed and agreed with Kevin Walsh.

We will obtain written representations from you, as trustees, that you concur with these adjustments.

Unadjusted misstatements

A list of misstatements identified during our audit which remain unadjusted is attached in Appendix 1. The list does not include items which are considered to be clearly trivial. We will obtain written representations from you, as trustees,

that these are not to be adjusted, due to their lack of significance to the overall result portrayed by the financial statements.

Materiality

Materiality threshold £26,400

Reporting threshold: £1,320

Materiality refers to the relative significance of a particular matter in the context of the financial statements as a whole. An item would be considered material if its omission or its erroneous inclusion would reasonably influence the decisions of those using the financial statements.

We are required to report corrected audit misstatements, and uncorrected audit misstatements in excess of our reporting threshold which is set at 5% of overall materiality.

Our materiality threshold is based on 2% of operational income. A lower level of materiality may be selected for specific areas of the financial statements and for some disclosure items e.g. transactions and other financial arrangements with trustees and their connected persons.

When considering the impact of misstatements discovered during the course of our audit and considering the implications for our report of such misstatements, we will refer to this level amongst other things. Whether a misstatement is 'material' or not is ultimately down to the auditor's judgement.

Observations and recommendations on the accounting system and financial reporting function

The table below provides a summary of any observations made concerning weaknesses in the charity's accounting and internal control systems.

Observations included in the "A" grade (red) banding indicate that, in our opinion, there is a risk of significant financial impact on the charity that must be addressed immediately.

"B" grade (orange) banding recommendations relate to those issues where there is a risk of moderate financial impact on the charity, such as a control failure or the absence of a control in an area of moderate risk. These items should be addressed shortly.

Observations included in the "C" grade (yellow) banding indicates that the matter, although important, does not warrant urgent attention and should be addressed within an agreed timeframe.

Priority	No of points	Relating to
A	-	
B	2	- Aged creditors - Salary documentation - Declarations of interest
C	2	- Fixed asset register* - Aged debtors

*Items marked with an asterisk are observations which were also made and reported in our post-audit report to you last year, but which remain unresolved.

Further details in respect of the observations and recommendations as a result of our audit work are given in Appendix 2.

The matters have all been discussed with Kevin Walsh, who has appropriate management authority.

Prior year observations

We are, however, pleased to report that the following observations made last year have been satisfactorily dealt with:

Priority	Relating to
B	• Authorisation of expenditure
	• Trustee authorisation of bank payments
	• Financial procedures manual
	• Workshop income tracking

Segregation of duties

We recognise that the number of your accounting staff makes a complete system of internal control impracticable and that the trustees exercise close personal supervision, which we consider reasonable in the circumstances. We have taken this into account in conducting our audit and in preparing this report.

Other information

Letter of representation

We enclose the draft letter of representation which we will request the trustees to approve and sign at the same time as the financial statements. This includes acknowledgement of the trustees' responsibility for the design and implementation of internal controls to prevent and detect fraud.

As set out in our planning letter, we understand the following applied to the year ended 31 March 2024.

- Trustees of Graeae Theatre Company Limited exercised effective oversight of management's processes for identifying and responding to the risks of fraud in the charity and a system of internal controls was in place to mitigate these fraud risks.
- Trustees were not aware of any instances of actual, suspected, or alleged fraud, including misconduct or unethical behaviour related to financial reporting or misappropriation of assets.
- There have not been any out of the ordinary transactions.

If the above information is no longer correct, please contact Catherine Biscoe or Rob Cloke.

Professional ethics

In accordance with our profession's ethical guidance and further to our letter confirming audit planning arrangements we wish to bring the following matters to your attention:

- We have provided an independent contractor to assist with the preparation of the financial statements. The contractor is not employed by Buzzacott and was not involved in the audit. These services were provided in order to support the charity to be able to provide a draft set of financial statements to our audit team. For the purposes of the Financial Reporting Council's (FRC's) Ethical Standard you have nominated Kevin Walsh as being a member of 'informed management' who is able to receive these services from us and make independent decisions based on information and options which we may provide.

Current developments

We have attached a summary of other recent and ongoing developments as Appendix 3 to this report. The matters included in this appendix may not all be directly relevant to the charity. However, we are aware that a lot of trustees are involved with more than one organisation, therefore we have included items for general information.

Updates, insights and seminars

As part of our commitment to the charity sector, during the year the Charity Team issues occasional Updates and Insights on matters of relevance to the sector and also holds a number of seminars free of charge throughout the year. We would be delighted to welcome representatives of your charity to our seminars or to add trustees and management to our email distribution lists if this would be welcome. News and Insights are also available on our website at [News and insights \(buzzacott.co.uk\)](https://buzzacott.co.uk), where there is also an opportunity to sign up to our mailing list should you wish.

This report has been prepared for your private use only. It has been prepared on the understanding that it will not be shared with any third party without our prior written consent and we can therefore assume no responsibility to any other party. Any recommendations contained herein are based on the information you have provided and UK law and judicial and administrative interpretation as of the date of this letter. Should the facts provided to us be incorrect or incomplete, or should they change, our recommendations may be inappropriate. Buzzacott LLP accepts no liability for losses arising from changes in UK law, interpretation or practice or in public policy that are first published after the date of this report.

If you require any further information or assistance, we shall be very pleased to help you.

We would be pleased to receive your comments and reaction to this letter.

Appendix 1: Adjusted and unadjusted misstatements

Audit adjustments

		Statement of financial activities		Balance sheet	
	Description	Debit (£)	Credit (£)	Debit (£)	Credit (£)
1	DR Accrued income CR Other creditors and accruals <i>Being the adjustment to move ATW accrued income posted to other creditors and accruals.</i>			11,328	11,328
2	DR Expenditure CR Prepayments <i>Being the adjustments to eliminate double posted prepayments</i>	41,891			41,891
3	DR Other debtors CR Theatre Tax Relief income <i>Being the adjustments to accrue Theatre Tax Relief due on productions in 2023/24.</i>		16,707	16,707	

The above adjustments had the effect of decreasing the charity's surplus by £25,184.

Disclosure adjustments

- Operating leases – to reduce amounts due within one year by £22,900 to reflect the fact that the Unit 10 lease was signed post year-end.
- Adjustments to the disclosure of net assets between funds in Note 16.
- Adjustment to show Digital Accelerator Programme costs within restricted funds.
- Adjustment to disclose related party transactions with North East Theatre Trust.

Unadjusted misstatements

	Description	Statement of financial activities		Balance sheet	
		Debit (£)	Credit (£)	Debit (£)	Credit (£)
1	DR Office equipment accumulated depreciation CR Office equipment cost <i>Being the adjustment to bring the fixed asset note in line with the FAR.</i>			11,955	11,955
2	DR Bad debt expense CR Trade debtors <i>Being the adjustment to write off old debtor balances.</i>	7,128			7,128

The above misstatements, if adjusted, would have had the effect of increasing the charity's deficit by £7,128.

Appendix 2: Audit observations and recommendations

	Observation	Implication	Recommendation	Management comment
B	Aged creditors It was noted on review of trade creditor balances that the aged creditor listing was non-trivially out from the trade creditor balance per the TB.	Where the aged creditor listing doesn't agree to TB, this is symptomatic of failures in internal reporting and could lead to large discrepancies in the future if differences compound.	We recommend that a monthly reconciliation between aged creditors and TB takes place in order to identify and rectify any differences.	Agreed
B	Salary documentation There was no up-to-date salary documentation available for the CEO.	Where there is no evidence of salary, this can lead to incorrect salaries being paid to employees, constituting a loss of funds to the charity.	We recommend that all changes to gross salary are documented in a signed letter to the relevant employee.	Agreed
B	Declarations of interest It was noted on review of Trustee and KMP declarations of interest that only the register from 2022 was available. Further, it was noted that not all Trustees had completed declarations of interests.	Where proper declarations of interests are not made, the charity runs the risk of entering into inappropriate related party transactions.	We recommend that all Trustees complete timely declarations of interest, either updating the register annually, or on a rolling basis as interests change.	Agreed

	Observation	Implication	Recommendation	Management comment
C	Fixed asset register* It was noted on review of the fixed asset register that it is set up in a way which makes it difficult to identify individual assets and their associated depreciation. It was also noted the FAR did not match up to the note in the accounts (which we have raised as an unadjusted misstatement). Finally, as raised last year, there are a number of fully depreciated assets which remain on the fixed asset register, as there have been no disposals in 23/24.	This may make it difficult to track which assets are fully depreciated, leading to assets remaining on the FAR too long. Where variances compound, this could lead to material differences in internal and external reporting. Assets which are fully depreciated and remain in the accounts could be materially distorting cost and accumulated depreciation figures.	We recommend a full review of the fixed asset register is undertaken. This will involve a reconciliation to trial balance figures, a reconfiguration of individual asset reporting, and a survey of all fully depreciated assets to write off any which may no longer be in use.	
C	Aged debtors On review of trade debtors, it was noted that there was a non-trivial balance of old debtors which remained on the aged debtors listing at year-end, mostly relating to JobCentrePlus.	Where old debtors remain on the books, these can end up distorting fund levels through an overstatement of current assets.	We recommend that a monthly review of aged debtors is carried out where old debts are identified and investigated, and written off where necessary.	

Appendix 3: Current developments

Trustees' Annual Report and Accounts

Changes to UK GAAP

In March 2024, the Financial Reporting Council published amendments to *FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The amendments encompass a number of changes including:

- a new model of revenue recognition designed to align UK GAAP with IFRS 15 *Revenue from Contracts with Customers*;
- a new model of lease accounting which brings assets under operating leases on to the balance sheet, designed to align UK GAAP with IFRS 16 *Leases*; and
- various other incremental improvements and clarifications.

The amendments will be effective for accounting periods beginning on or after 1 January 2026 and can be read at:

[https://media.frc.org.uk/documents/Amendments to FRS 102 and other FRSs.pdf](https://media.frc.org.uk/documents/Amendments_to_FRS_102_and_other_FRSs.pdf)

Development of new Charity Statement of Recommended Practice (SORP)

The new Charities Statement of Recommended Practice (SORP) had been expected to be published in August 2024 but a revised timeline for release is being considered. An update on this will be issued in due course.

Background on the 15 topics for change that have been considered by the SORP Committee are available at: <https://charitysorps.org/engage-briefings-to-inform-the-engagement-process-in-developing-the-next-sorp>

Company size thresholds

On 14 October 2024, the Secretary of State for Business and Trade confirmed in a ministerial statement that the Labour government will take forward the previous government's plans to increase the company size thresholds. Legislation is expected to be laid before Parliament before the end of this year and is expected to come into force on 6 April 2025. The full statement can be read at:

<https://questions-statements.parliament.uk/written-statements/detail/2024-10-14/hcws126>

The impact of this is that many companies currently classed as medium-sized will be able to move down to the small category. This will potentially enable them to apply a less rigorous financial reporting regime.

Companies House reforms

On 26 October 2023, the Economic Crime and Corporate Transparency Act 2023 was enacted. It provides the framework to reform Companies House to improve the integrity of the data it holds and to clamp down on the abuse of the UK corporate structures for money laundering.

On 4 March 2024, parts of the Act came into force. These included granting Companies House greater powers to query information, stronger checks on company names, new rules for registered office addresses and new lawful purpose statements.

Although there is currently no published timetable, implementation of the following key changes are expected in the future:

- Reduction in filing options for small companies
The reforms will simplify the framework for smaller entities by reducing the filing options to just two categories: micro-entities and small companies. The abridged and “filleted” accounts options will be removed and therefore

all small companies will be required to file a directors’ report and profit and loss account (as well as a balance sheet).

- Identity verification for those setting up, managing and controlling companies
The government will require identity checks on directors of companies, general partners in Limited Partnerships, designated members in LLPs and people with significant control (PSCs). Those submitting information to Companies House will also be subject to the same identity checks. Individuals who fail to verify their identity will be subject to new criminal and civil sanctions.
- Restrictions on corporate directorships
Corporate directorships will be restricted to entities registered in the UK, and the corporate directors will need to be associated with natural persons who will be subject to identity checks. Different rules will apply to corporate members of LLPs or corporate general partners of LPs but with a similar aim of increasing transparency over the control of these entities.

- More information on a company’s shareholders
The reform proposes a requirement for private companies, and traded companies where shareholders hold at least 5% of the issued shares of any class of the company, to provide a one-off full shareholder list. Any changes will be updated annually when a company files a confirmation statement.
- “File once” approach
The government is considering a new approach so that accounts will only need to be filed once instead of separately to Companies House, HMRC and other agencies.

Charities Act 2022

The phased implementation of the Charities Act 2022 is now complete with all changes now being applied. The key changes relate to how trusts and unincorporated associations make changes to governing documents, new rules around selling, leasing or disposing of land and new guidelines on how gifts to charities that are merging are treated.

Further information can be found at:

<https://www.gov.uk/guidance/charities-act-2022-guidance-for-charities>

Update on ex-gratia payments

Typically, ex-gratia payments would breach trust law, as they divert funds from charitable purposes. However, section 106 of the Charities Act 2011 permitted the Charity Commission to authorise such transactions when trustees deemed the payments as a moral obligation. With the aforementioned changes in the Charities Act 2022, charities will gain increased authority to make ex-gratia payments of up to a certain threshold without obtaining prior consent from the Charity Commission.

The new thresholds are income based, and are:

- Gross income of up to £25,000 in the last financial year, the charity can approve payments of up to £1,000;

- Gross income of up to £250,000 in the last financial year, the charity can approve payments of up to £2,500;
- Gross income of up to £1m in the last financial year, the charity can approve payments of up to £10,000; and
- Gross income of over £1m in the last financial year, the charity can approve payments of up to £20,000.

The detailed legislation is at:

<https://www.legislation.gov.uk/ukpga/2022/6/section/15/enacted>

Sustainability and reporting

Whilst many companies and organisations are including sustainability and climate change-related information in their annual reports, only the largest private and listed companies are required to provide such information. This disclosed information is not yet subject to any independent 'checking' which has

resulted in the 'greenwashing' claims about some unverified information contained in annual reports.

June 2023 saw the issue of the first two international sustainability reporting standards aimed at improving trust and confidence in company disclosures about sustainability and climate change. The two IFRS Sustainability Disclosure Standards are internationally effective from 1 January 2024 although they have not yet been adopted by UK standard setters. However, it is likely that compliance will become mandatory in the near future. To begin with, the obligation may only be for large companies but, the 'trickle down' process is likely to require many organisations to ensure that they can provide adequate information to others in their supply chain who have the reporting obligation. As is usually the way, the reporting obligation will ultimately be extended to smaller and not-for-profit entities.

In anticipation of the above, it is advisable to start discussions around sustainability reporting and data early and more information can be found at:

<https://www.ifrs.org/issued-standards/ifrs-sustainability-standards-navigator/>.

Review of reporting quality by the FRC

The FRC has published its review of reporting practices by the UK's largest private companies. This thematic review highlights areas of improvement and examples of good practice in corporate reporting. The aim is to enhance transparency and consistency in financial disclosures, thereby building trust and investment in the UK market whilst aligning more with international guidelines to ensure high ethical standards and independence among UK audit firms. Key findings for future reports emphasise the need for:

- Concise, clear strategic disclosures aligned with the financial statements;
- Quality reports focussing on significant matters, detailing specific judgements, and quantifying estimation uncertainties;

- More tailored accounting policies, especially for revenue, in order to explain the revenue streams, recognition timing, and valuation methods.

The full thematic review can be read at:

<https://www.frc.org.uk/news-and-events/news/2024/01/review-of-reporting-by-the-uks-largest-private-companies/>

Policy and Governance

Charity Commission 2024-2029 Strategy

The Charity Commission has published its new strategy with five key priorities:

- To be fair and proportionate in its work and clear about its role;
- To support charities to get it right but take robust action where they see wrongdoing and harm;
- To speak with authority and credibility, free from the influence of others;

- To embrace technological innovation and strengthen how its data is used; and
- To be the expert Commission - where its people are empowered and enabled to deliver excellence in regulation.

The regulator is in the process of identifying a set of strategic impact measures which will be published in mid-2024. The Commission aims to report against those measures for the first time in the Annual Report for 2024-25, which will be published in July 2025.

The full strategy can be read at:

<https://www.gov.uk/government/publications/charity-commission-strategy-2024-2029/charity-commission-strategy-2024-2029>

UK Corporate Governance Code 2024

The UK Corporate Governance Code was revised in January 2024 with the key focus being to enhance transparency and accountability of UK premium listed companies and help support the growth and competitiveness of the UK and its attractiveness as a

place to invest. The Code does not set out a rigid set of rules; instead, it offers flexibility through 'comply or explain' reporting against the Provisions. The main change in the 2024 Code is a new requirement under Provision 29 for a declaration of effectiveness by the board in relation to material controls which will come into force on 1 January 2026. The other, less substantial, changes to the Code will take effect from 1 January 2025.

The full Code can be read at:

https://media.frc.org.uk/documents/UK_Corporate_Governance_Code_2024_kRCm5ss.pdf

A summary of key changes since the 2018 Code, as published by the FRC, can be found at:

https://media.frc.org.uk/documents/UK_Corporate_Governance_Code_2024_Key_Changes.pdf

Charity Governance Code

A review of the Charity Governance Code takes place roughly every three years to ensure it remains relevant. A consultation has been launched to gather feedback on potential enhancements to the

Code, focusing on its content, structure, applicability to different charity sizes, language, and user-friendliness. The consultation runs to 11 August 2024 with a response being planned in Autumn 2024 with an updated Code expected in early 2025.

For further reading please see:

<https://www.charitygovernancecode.org/en/about-the-code-1/updating-the-code>

Recruitment challenges of Chairs'

New research by Bayes Business School's Centre for Charity Effectiveness highlights the need for charities to better understand the motivations of potential chairs, particularly younger generations, to address recruitment challenges. Surveying 61 chairs and 23 support representatives, the study found that the pipeline of future chairs is a significant concern, with barriers such as time pressures, responsibility level and a lack of diversity deterring potential candidates. The report emphasises the demanding nature of the chair role, recommending rigorous and inclusive recruitment processes

promoting the role as aspirational, and providing future focussed support.

The full paper can be read at:

https://www.bayes.city.ac.uk/_data/assets/pdf_file/0009/794133/Bayes-CCE-The-Future-Charity-Chair-report-June2024.pdf

Charity Commission updates to guidance on decision making of trustees

When making decisions, trustees must follow the below seven principles in line with CC27, the Charity Commission's bespoke guidance on this topic:

1. act within their powers;
2. act in good faith;
3. be sufficiently informed;
4. take into account all relevant factors;
5. identify and disregard any irrelevant factors;
6. manage conflicts of interest; and
7. ensure their decision is within the range of decisions that a reasonable trustee body could make

September 2024 saw the first update to CC27, the Charity Commission guidance on decision making, in 11 years. Whilst the principles remain the same, the guidance is more concise taking 12 minutes to read, rather than 24 minutes in the previous iteration.

All trustees are therefore encouraged to read the following:

<https://www.gov.uk/government/publications/its-your-decision-charity-trustees-and-decision-making>

Trustees and whistleblowing

A tribunal appeal has raised the question of whether a charity trustee “is or should be treated as a worker” when seeking to be protected as a whistleblower. The Employment Appeal Tribunal published its judgment in the case involving Nigel MacLennan and the British Psychological Society (BPS). MacLennan was a trustee and president-elect at BPS when he uncovered and reported “serious concerns of corporate governance failings” there to the Charity Commission.

After making his disclosures, he was subjected to a disciplinary process and expelled from BPS in May 2021 following allegations of “persistent bullying”, which he denied.

Last year, an Employment Tribunal ruled that MacLennan was not a worker at BPS and had no jurisdiction to hear his claims around detriment for making protected disclosures.

MacLennan appealed the decision, arguing that he should be treated as a worker and protected from reprisals for blowing the whistle under articles 10 and 14 of the European Convention on Human Rights (ECHR).

This ruling opens the door to potential protection for trustees and the full judgement can be read at:

https://assets.publishing.service.gov.uk/media/671636d5583ef2380ad997dd/Dr_Nigel_MacLennan_v_The_British_Psychological_Society_2024_EAT_166.pdf

Charity Commission updates to meeting guidance for Zoom and Teams calls

The Charity Commission’s updated guidance (CC48) emphasises the need for charities to comply with and update their governing documents to accommodate online and hybrid meetings. It includes details on voting procedures, managing technical issues, and ensuring participation in virtual settings. The guidance applies to all types of charities and meetings, aiming to improve governance and assist trustees in their role.

Detailed guidance can be read at:

<https://www.gov.uk/government/publications/charities-and-meetings-cc48>

Fundraising Code

The Fundraising Regulator is in the final stage of its review and update of the Code of Fundraising Practice. The new code will be published alongside a timetable for implementation in early 2025 following a widespread consultation exercise.

Information on likely changes can be found at:
<https://www.fundraisingregulator.org.uk/code-consultation-2024>

Fundraising levy

The Fundraising Regulator has announced it will increase the voluntary levy it asks charities to pay by up to 50% over two years, following a consultation with the sector.

Its increases, the first in eight years, will mean the largest charities pay £22,500 a year, a £7,500 rise on current rates.

Further information on the revised rates can be seen at:
<https://www.fundraisingregulator.org.uk/registration/fees/changes-to-levy-registration-fee>

Charity Commission guidance on accepting donations

The Charity Commission has published new guidance to help charities when deciding whether to accept, refuse or return a donation. The guidance is

designed to help trustees have informed discussions when faced with a choice that has potentially significant consequences but accepts that the default position for trustees should be to accept donations. In making their decision, trustees should:

- consider the risks involved in accepting or refusing the donation, and how likely and serious these are (e.g. reputational harm or negative financial consequences);
- determine what steps they can take to mitigate the risks (e.g. developing a public explanation for a decision); and
- determine how any decision aligns with their charity's purposes.

The regulator also warns trustees not to allow their personal views, or any external pressures that do not relate to their charity's purposes, to influence them to act in a way that is not in their charity's best interest.

The full guidance can be read at:
<https://www.gov.uk/guidance/accepting-refusing-and-returning-donations-to-your-charity>

Charity Commission guidance on investing charity money

The Charity Commission has recently streamlined its guidance on investing charity money making it more accessible to trustees. Amongst other things, it:

- reminds trustees' of their principal duty to further their charity's purposes as part of setting and reviewing its policy on investments;
- reiterates that trustees' own judgement may be used on whether to restrict investment in organisations that contradict their mission;
- Advises that trustees may also choose to integrate environmental, social and governance issues into their investment strategy to either boost returns or protect their reputation;
- Advocates working with a professional firm to manage investments; and

- Acknowledges that there may be potential conflicts of interest that affect the use of particular advisors (e.g. if they are recommending to use their own funds or services without being able to demonstrate why those will serve a charity's purposes better than others).

The full guidance can be read at:

<https://www.gov.uk/government/publications/charities-and-investment-matters-a-guide-for-trustees-cc14>

Charity investment governance principles

In autumn 2024, the Charity Finance Group are unveiling the Charity Investment Governance Principles to aid trustees in managing charity investments. These principles will include guidance on legal considerations, governance, integrity, decision making, effectiveness, equity and accountability. The principles aim to address gaps in existing investment governance practices and empower trustees with practical advice.

Further detail can be found at:

<https://www.civilsociety.co.uk/news/charity-investment-governance-principles-to-be-launched-in-the-autumn-cfg-says.html>

Charity Commission renews calls for urgent action from UK banking sector

The Charity Commission's annual sector survey has unveiled concerning findings with 42% of trustees reporting that their charities experienced poor service from banks in the last 12 months. The risks associated with inadequate banking services extends beyond inconveniences, potentially risking the provision of charitable activities and promoting unsafe financial practices, such as the use of personal accounts to ensure charitable activities continue. There have been instances where accounts have been frozen with minimal notice after identification requests further highlight the severity of the issues. It is important for the banking sector to address these challenges promptly to ensure the continuation operations of charitable organisations and safeguard their valuable contributions to society.

For more information see:

<https://www.gov.uk/government/news/new-data-suggests-nearly-half-of-charities-experience-issues-when-banking>

New website to provide charities support with bank accounts

UK Finance have launched a website to help charities open and manage bank accounts, featuring tools like an account finder and FAQs. This initiative addresses difficulties many charities face with banking services, aiming to simplify the process and improve the service quality. The project has been supported by the Treasury and the Charity Commission.

The website can be found at:

<https://www.ukfinance.org.uk/our-expertise/commercial-finance/voluntary-organisation-banking-guide>

Charity Fraud Report 2023

The Fraud Advisory Panel issued its 2023 Charity Fraud Report in January 2024 following a survey of

121 charities, of which 62% generated income of over £10m, within the UK. The below key findings were noted:

- 36% of charities have experienced more instances of fraud than in the previous year;
- 50% of detected frauds were perpetrated internally (by staff, trustees or volunteers);
- 67% of charities agree that the cost-of living crisis has increased fraud risk; and
- 92% of charities who suffered a fraud experienced financial losses due to fraud (compared to 69% in 2022), with there being a shift to higher value frauds (over £10,000) taking place.

The report identifies that the most common frauds relate to misappropriation of cash or other assets, expenses, procurement, false beneficiaries or cyber matters with two-thirds of charities reporting that frauds were detected as a result of internal controls

in place indicating the importance of designing a control environment with fraud risk at the centre.

Fraud prevention strategies include ensuring robust policies are in place (and are being followed) on cybersecurity, anti-fraud and conflicts of interest, whilst also ensuring adequate training is provided to those associated with the charity on a regular basis. A fraud response plan should also be devised and implement in case of any adverse event.

The full report, including the Panel's top tips for preventing fraud (on page 22 and 23) can be read at: <https://www.fraudadvisorypanel.org/document/2023-charity-fraud-report/>

VAT fraud alert

VAT practitioners have been made aware of instances where taxpayers' bank account details have been amended on the HMRC portal without their knowledge, resulting in VAT repayments being diverted to unknown third parties. This issue came to light when clients reported that expected repayments had not arrived, and it was discovered

that forged director signatures were used to change the bank details. Taxpayers filing repayment claims should therefore regularly check that their bank details have not been altered.

Cyber-attacks

The British Library was subject to a cyber-attack in October 2023 and has published a "lessons learned" paper to help others in the sector who may experience similar. It covers the detail of the attack, and the impact it has had on operations, future infrastructure and risk assessments. The paper can be read at: <https://www.bl.uk/home/british-library-cyber-incident-review-8-march-2024.pdf>

Annual Return 2022 findings

The Charity Commission has recently released the Annual Return 2022, highlighting key trends across the sector for financial years ending in 2022. The key trends are as follows:

- Total gross income increased by 8.5% from 2021 figures to £90.3 billion;

- Gross expenditure increased by 9.2% totalling £87.4 billion;
- Decline in national and local government grants to £7 billion from £8.2 billion in 2021;
- 27,001 charities received a government grant in 2022 compared to 35,474 in 2021;
- Free reserves remained broadly consistent at £75 billion, compared to £73 billion in 2021; and
- Volunteer numbers reported an overall increase to just over 6 million people, though religious charities and those supporting armed forces personnel experienced a decline in volunteer participation from 2021.

For further detail please see:

<https://www.gov.uk/government/publications/charity-commission-annual-return-data/annual-return-data-january-to-december-2022>

Trustee Quiz

The Charity Commission has released a new Trustee Quiz to enable trustees to test their knowledge of their roles and responsibilities. It is aimed to engage trustees with questions based on everyday scenarios in a bid to identify any knowledge gaps and to act as a refresher for all trustees. The quiz takes three minutes to complete with feedback provided for each question and a score out of 10.

The quiz can be found at:

<https://beingacharitytrustee.campaign.gov.uk/take-the-trustee-quiz/>

UK employment law

A number of employment law regulatory changes have taken place in recent months including increases in statutory sick pay, updated redundancy pay calculations and national minimum wage increases which can impact organisations and their HR processes and documentation. The following insight provides detailed commentary on the changes and information on how Buzzacott can

support: <https://www.buzzacott.co.uk/insights/an-update-on-uk-employment-law-2023>

A further development in 2024 was confirmed by the UK government who will be tripling the penalties for employing illegal workers from a minimum of £15,000 to £45,000 per worker:

<https://www.buzzacott.co.uk/news/penalties-for-employing-illegal-workers-in-the-uk-are-set-to-triple>

Artificial Intelligence (AI)

Over the past year, the transformative potential of AI has become a major discussion point within the charity sector. The Charity Commission emphasise the importance of using AI responsibly to further charitable purposes. AI is increasingly being adopted by charities for resource-intensive tasks. The 2023 Charity Digital Skills report found that 35% of charities already use AI, with another 26% planning to adopt it. However, there are risks, such as data security, GDPR compliance, and the potential for AI to produce inaccurate or biased results. Charities should consider developing an internal AI policy, ensure human oversight and remain mindful of legal obligations to mitigate these risks. The

Commission is actively learning about AI's potential and risks, engaging with the sector and other regulators, but does not currently plan to issue specific new guidance.

For further reading please see:

<https://charitycommission.blog.gov.uk/2024/04/02/charities-and-artificial-intelligence/>

Following on from the Charity Commission blog, other sector bodies have been heavily involved in supporting charities in gearing up for AI. A checklist, created by Zoe Amar Digital, has been developed which aims to help charities build AI understanding, make informed decisions, and track progress. Recognising the varied knowledge on technology, the checklist offers guidance for beginners and advanced users alike, encouraging a tailored approach to integrating AI and fostering strategic discussions at the board level. It can be found at: <https://zoeamar.com/artificial-intelligence/ai-checklist-for-charity-trustees-and-leaders/>

Reputational damage and financial loss from Deepfake AI incident

In July 2024, Arup Group suffered a significant setback when a deepfake video was falsely circulated which ordered staff to make significant bank transfers. The sophisticated AI-generated deepfake digitally cloned the CFO and resulted in significant reputational and financial losses. Companies and charities should be cautious of such digital misinformation by ensuring all communications are verified and aligned with official channels.

The Financial Times article reporting this incident can be read at: <https://www.ft.com/content/b977e8d4-664c-4ae4-8a8e-eb93bdf785ea>

Accounting and Auditing Matters

New Ethical Standard

The FRC has updated its Ethical Standard for auditors, effective from 15 December 2024. The update simplifies existing standards, aligns with the

latest international ethics codes, and introduces restrictions on fees from entities controlled by a single party. These changes aim to strengthen governance and enhance market confidence.

The full standard can be read at:

<https://www.frc.org.uk/news-and-events/news/2024/01/frc-updates-the-ethical-standard-for-auditors/>

IAASB proposes major revisions to fraud auditing standards

The IAASB has proposed significant revisions to its standard of auditors' responsibilities regarding fraud, aiming to enhance public trust in financial reporting. The updated standard, ISA 240, outlines clearer auditor responsibilities, emphasises professional scepticism, and strengthens procedures for identifying and responding to fraud. Key changes include improved risk assessment, more detailed responses to suspected fraud, and greater transparency in auditors' reports. The IAASB will release a video series to explain the revisions.

The detail behind the changes can be read at:

<https://www.iaasb.org/news-events/2024-02/iaasb-moves-strengthen-auditors-efforts-related-fraud>

FRC's focus for 2024/25

In 2024/25, the FRC's reporting reviews and audit quality inspections will focus on risks tied to the current economic environment, such as going concern, impairments, and tax asset/liability recoverability. There will also be a focus on climate related risks, and the implementation of IFRS 17 for insurance contracts. Attention will also be given to the accuracy and completeness of cash flow statements.

The FRC's full announcement can be read at:

<https://www.frc.org.uk/news-and-events/news/2023/12/frc-announces-areas-of-supervisory-focus-for-202425/>

Enhancing auditor requirements for detecting and reporting non-compliance

The FRC's consultation to enhance auditor requirements for detecting and reporting material

misstatements due to non-compliance with laws and regulations ended in January 2024. The FRC intends to strengthen ISA 250 Sections A and B, improving risk assessments and ensuring significant matters are reported to regulators, even if not explicitly required by law. Revisions seek to provide greater assurance to users of the financial statements and improve confidence in auditors' management and reporting of compliance risks. Changes are set to take effect for audits of financial statements for period beginning on or after 15 December 2024.

The proposed revisions can be read at:

<https://www.frc.org.uk/news-and-events/news/2023/10/proposed-revisions-to-isa-uk-250-section-a-and-isa-uk-250-section-b/>

Tax

Charity tax returns – why are they so important?

Whilst it is not compulsory for charities to file a tax return, HMRC is able to perform random checks on charities to ensure exemptions are being claimed correctly. There is no blanket exemption on income

generated by a charity because of their charitable status. If a charity receives income that does not fall under the available exemptions, then the profit element of the income will be subject to tax. The main forms of exempt charitable income are:

- Donations and legacies;
- Trading income, where this derives from activities in furtherance of or ancillary to the charity's objectives, or activities carried out by the charity's beneficiaries; and
- Certain investment and property income.

If there is non-charitable trading income that does not fall under the above exemptions, the small-scale taxable trades exemption can be applied whereby a tax liability will not be applied if the non-charitable trading income is less than 25% of the charity's total income, subject to a cap of £80,000. If £80,000 is breached, the total non-charitable trading income will be taxable.

Further information can be found at:

<https://www.buzzacott.co.uk/insights/charity-tax-returns-why-are-they-so-important>

Charity Commission tax guidance

The Charity Commission has published guidance on direct tax obligations of charities and reliefs available. It is designed to allow charities access to relevant resources in one place with the guidance being available at:

<https://www.gov.uk/government/publications/charities-detailed-guidance-notes>

Reformed IR35 guidance

Off-payroll working legislation governs how organisations handle tax for workers providing services through intermediaries, such as personal service companies. The reformed rules, introduced in 2017 and expanded in 2021, shift the responsibility of determining employment status from the worker's intermediary to the client engaging them. The reformed guidelines assist clients and deemed employers in applying these

rules, ensuring correct tax and National Insurance contributions are paid. They also provide examples of best practices to minimise errors and potential penalties. Organisations should use these guidelines alongside existing resources to make informed decisions based on their specific circumstances.

Detailed guidance can be found at:

<https://www.gov.uk/government/publications/help-to-comply-with-the-reformed-off-payroll-working-rules-ir35-gfc4>

Navigating the Employment Allowance and Apprenticeship Levy

HMRC is warning certain clubs and associations that they may be liable to pay the Apprenticeship Levy (AL) and are also no longer eligible for Employment Allowance (EA) relief.

The complexity of understanding eligibility for both the EA and the AL is the requirement to look beyond the payroll of the immediate employer and add the value of total payroll or the secondary Class 1 NIC liability of any connected employers. These rules are

applicable whether an organisation is assessing eligibility for EA or AL.

Many unincorporated associations such as clubs, societies, religious bodies, amateur sporting bodies, and political parties, should be aware of these rules.

Further information can be found at:

<https://www.buzzacott.co.uk/insights/navigating-the-employment-allowance-and-apprenticeship-levy>

Working from home overseas – tax, social security, and payroll considerations

There are a number of tax, social security and compliance issues that both employees and employers should consider before allowing overseas working. Employers should seek professional advice as to whether they will have social security and workplace pension scheme obligations in the country in question. Consideration will also need to be given whether an employee working abroad would create a fixed permanent establishment, resulting in potential overseas tax liabilities.

For further information, please see:

<https://www.buzzacott.co.uk/insights/working-from-home-overseas-the-tax-social-security-and-payroll-considerations>

Charity tax compliance consultation

HMRC are seeking views on several areas of concern (mainly in relation to abuse) in a consultation process which came to an end on 20 July 2023. The four areas that came under review were on charitable investments, non-charitable expenditure, tainted charity donations and filing obligations. HMRC do not intend to change the purpose of existing rules but want to ensure that they continue to be fit for purpose.

The results of the consultation have not yet been published but information on the process can be found at:

<https://www.gov.uk/government/consultations/charities-tax-compliance/consultation-charities-tax-compliance>

Benefits in kind

On 16 January 2024 the government announced that it will mandate employers to report and collect Income Tax and Class 1A National Insurance contributions on employment benefits through payroll software from 6 April 2026. This means that the 2025 to 2026 tax year will be the last year that employers will be able to file P11Ds and P11D(b)s with HMRC in most cases. From this date, tax on employment benefits will be collected in real time and not through tax codes in arrears. Class 1A National Insurance contributions will also be collected in real time for each pay period rather than at the end of the year. These changes aim to reduce the administrative burden for employers with draft legislation due to be published later this year.

THE GRAEAE THEATRE COMPANY LIMITED

England & Wales - Charity number 284589

Accounts

GRAEAE THEATRE COMPANY LIMITED (THE)

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2023

COMPANY REGISTRATION NUMBER: 01619794

CHARITY REGISTRATION NUMBER: 284589

GRAEae
T H E A T R E C O M P A N Y

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

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The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2023

The Trustees present their report and the financial statements for the year ended 31 March 2023.

The report has been prepared in accordance with the Charities Act 2011 and is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 22-24 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

For the purpose of determining disclosure requirements the charity is classified as:

- a larger charity (having income over £500,000)
- a small company (fewer than 50 employees, turnover less than £6.5million).

Reference and administrative details

<u>Charity number</u>	284589
<u>Company number</u>	01619794
<u>Registered office</u>	Bradbury Studios, 138 Kingsland Road, London E2 8DY
<u>Directors and Trustees</u>	

The directors of the charity are its Trustees for the purpose of charity law. The Trustees who served during the year and since the year-end are as follows:

Samantha Tatlow	Re-appointed 6 December 2021 Appointed as Chair 11 October 2021
Sharon Marshall	Re-appointed 18 January 2021
Jessi Parrott	Re-appointed 6 December 2021
Lisa Oguntinyinbo	Appointed 4 May 2021
Nathan Crossan-Smith	Appointed 6 December 2021
Anthony Lee	Appointed 6 December 2021
Andrea Walter	Appointed 7 March 2022
Deborah Rees	Appointed 5 September 2022
Caroline Loving	Appointed 4 May 2021 Resigned 14 September 2022

Throughout this report the word "Trustees" refers to the individuals and the word "Board" refers to the Trustees acting as a body.

<u>Secretary</u>	Charles Mills (resigned 13 December 2022) Elizabeth Luxford (appointed 13 December 2022)
<u>Joint Chief Executive Officer and Artistic Director</u> (from 26 November 2021)	Jenny Sealey, OBE
<u>Joint Chief Executive Officer and Executive Director</u> (from 26 November 2021)	Kevin Walsh
<u>Auditor</u>	Buzzacott LLP, 130 Wood Street, London EC2V 6DL
<u>Bankers</u>	CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2023

Structure, governance and management

Governing document

The charity is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 10 December 1981 and updated in December 2011. There are currently eight members, each of whom agrees to contribute £1 in the event of the charity being wound up.

Appointment of Trustees

As set out in the Articles of Association, the Board may at any time appoint any member of the company as a member of the Board, subject to a maximum of twelve members. Any member so appointed retains his/her office until the next Annual General Meeting and is then eligible for re-election. At each Annual General Meeting one-third of the members who have been longest in office retire. All retiring members are eligible for re-election subject to the limits to terms of office set out in the Articles of Association. The charity aims for a Board where 50% or more of the Trustees identify as Deaf, disabled and neurodivergent.

Regular skills' audits are carried out and, when considering appointing new Trustees, the Board has regard to the requirement for any additional specialist skills needed.

Trustee induction and training

New Trustees are provided with an information pack to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the business plan and the recent financial performance of the charity. Trustees are encouraged to attend training courses about the responsibilities of being a trustee at a venue and time convenient to them. Trustees are also encouraged to visit the charity's office to meet employees and other Trustees outside the formal meetings. Trustees' Away Days are held from time to time so that the company's key aims and objectives can be discussed and reviewed. Trustees are also encouraged to attend productions and appropriate in-house training events.

Organisation

The Board meets, at least quarterly, to manage the affairs of the company. Four Trustees must be present for the meeting to be quorate. Since the COVID19 pandemic, meetings have been in a hybrid of Zoom conferencing software and in-person meetings. To aid accessibility meetings are shorter, with more breaks, captioned, BSL interpreted and recorded. .

There is also a Finance and General Purposes sub-committee which meets up to four times a year. The purpose of the committee is to provide a greater level of scrutiny of, and support to, company officers with a responsibility for financial management.

The Board has adopted the NCVO Charity Governance Code. This has fed into the formation of Graeae's Governance Policy which was formally adopted on 5 March 2023. The policy includes Board role descriptions, person specification and a scheme of delegation of Board authority.

The Joint Chief Executive Officers are appointed by the Board to manage the day to day operations of the charity.

To facilitate effective operations, the Joint CEOs delegate authority, in line with the Board's scheme of delegation, for operational matters including finance, employment, fundraising, and the artistic, training and educational output of the charity.

The key management personnel for the period covered by this report are:

- the Trustees, who are not paid, and
- the Joint CEOs and the Finance Director, whose remuneration is set by the Board, with reference to market rates for the theatre and charity sectors.

Other charities and related parties

The charity does not have any subsidiary undertakings. The charity collaborates from time to time with other organisations, particularly in the theatre sector, that may also be charities but does not have any formal long term arrangement with any other charity except in relation to grants received for specific activities.

The Graeae Theatre Company Limited
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Report of the Trustees for the year ended 31 March 2023

Public benefit

The objects of the charity, as set out in the Articles of Association, are to promote, maintain, improve and advance education, particularly by the production of educational plays and the encouragement of the Arts including the arts of drama, opera, operetta, dance, ballet, music, singing, literature, poetry, sculpture, painting, mime and puppetry.

The charity's particular purpose as a touring theatre company is to develop and promote disabled-led accessible theatre for a wide-ranging audience. The charity's main activities undertaken to further its purpose are theatrical productions and training, education and learning activities.

The Board has given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under section 17 of the Charities Act 2011 when reviewing the charity's aims and objectives and in planning future activities. The Board considers that all of the charity's objectives deliver benefit to the public, as explained below.

Objectives and activities

Graeae's vision is to create world-class accessible theatre, which breaks down barriers, challenges ableist preconceptions and places Deaf, disabled and neurodivergent* artists centre stage (*hereon referred to as disabled artists).

Graeae's mission is to ignite artistic curiosity, pioneer a radical dramatic language, and champion accessibility. We do this by providing a diversity of platforms for new generations of artists, locally, nationally and internationally, through the creation of trail-blazing theatre.

Graeae is a disabled-led human rights company, founded on the need to tackle social injustice, discrimination and exclusion. It is fuelled by the pursuit of inclusion and artistic excellence and champions disabled people in the arts.

The company's strategic aims are to:

- **Create world-class theatre:** produce and tour high quality, high impact theatre that is unmistakably Graeae's, providing a platform for the skill and excellence of disabled artists.
- **Find new audiences:** for Graeae and for the wider industry. Ensure the work has a lasting impact across England, unleashing creativity in regions and communities, working with groups that have little access to art and culture and on a variety of platforms.
- **Champion accessibility:** through partnerships with national and international organisations creating, supporting and advising on accessible environments and practice.
- **Nurture talent:** work with national partners to open up the arts for disabled artists at all experience levels. Create new environments for theatre-makers to thrive and build independence.
- Promote **excellent governance** and leadership across the company, the theatre sector and other businesses. Open up routes to leadership roles for those that have been denied them.
- **Explore new creative horizons:** by scrutinising our practice and by representing a greater diversity of voices on stage.

In promoting and producing world-class theatre, led by disabled directors, writers and performers, Graeae seeks to dismantle barriers to employment in the arts. Despite legislative progress and slowly shifting attitudes, there remains a lack of recognition of the talents of disabled people.

Our programme of work seeks to address this through our productions which showcase the skills of Deaf, disabled and neurodivergent performers. Our productions, through the creative use of sign language, audio description, captioning and relaxed environments also open up theatre to Deaf, blind, disabled and neurodiverse audiences, ensuring that all members of the public benefit from access to the arts. Where possible, we ensure that ticket prices for disabled audience members are subsidised and we only tour shows to venues across the UK which have a high standard of access for disabled people.

Our professional development training programmes provide accessible and inclusive opportunities for learning. They are delivered for aspiring actors, directors and writers to learn the skills they need to work as

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Objectives and activities (continued)

professionals. Our training programmes are significantly subsidised, in recognition of the economic barriers often faced by disabled artists, and are open to those artists throughout the UK.

Our outreach programme fuels the next generation of theatre-makers and audiences. Our professionally trained disabled artists and workshop leaders act as important role models for young participants, raising aspirations and proving that a career in the arts is possible for all. We believe that through investment in training and education, we can effect change within the industry both for individuals and organisations alike, from young people through to professionals, to ensure that there are equal opportunities for all people to benefit from the arts.

The company continues to advocate equality for all Deaf, disabled and neurodivergent artists and their right to participate in all aspects of society. Despite the impact of the Equality Act, in reality, access is still very uneven in the arts. Most spaces provide only limited levels of accessibility, can cope with only a small number of disabled artists and technicians at any one time, and are capable of dealing with only a limited range of impairments.

Graeae continues to champion access in a number of ways: by using Bradbury Studios as a model of best practice in inclusive design; through authentic representation of disability in theatre; through our training and outreach programmes and through our advocacy work with other organisations.

Graeae's strategic planning is underpinned by sound governance and continual monitoring of our work, measuring quantitatively achievements against targets as well as qualitatively through feedback from audiences and beneficiaries on their experience of Graeae's work.

These were our major activities during the year:

- **Kerbs:** A national tour of a new play by a Write to Play graduate, and digital release.
- **The Paradis Files:** A national tour of a new opera of "The Blind Enchantress"
- **This Woven O:** A new outdoor show for families directed by Graeae associates
- **Young Companies:** Regular Saturday sessions with two groups of young disabled people
- **Beyond:** a major artist support programme, connecting artists with venues nationwide
- **The Chatterleys:** New play for Radio 4

Achievements and performance

Productions and artistic activities

The period ending 31 March 2023 marked the first full year of programming since the COVID19 pandemic which closed theatres nationwide. COVID was still present and shaped how projects were delivered and who was able to participate. Audiences were still hesitant to return to theatres and much of Graeae's workforce, freelancers and participants were engaging with the company remotely or with great caution.

However, 2022 marked the first time the company was able to deliver work in theatres (first with *10 Nights* in January, then the first full tour with *Kerbs*). Graeae's first full opera, postponed since 2019, followed: *The Paradis Files*. Then Graeae was able to return to the outdoor theatre sector with *This Woven O*.

The success of this flurry of creative content set the organisation in a strong position for planning for the 2023-26 funding period.

Our major activities during the year were:

- **Kerbs:** Completion of a national tour by a Write to Play graduate
- **The Paradis Files:** A national tour of a new opera of "The Blind Enchantress"
- **This Woven O:** A new outdoor show for families directed by Graeae associates
- **Young Companies:** Regular Saturday sessions with two groups of young disabled people
- **Beyond:** a major artist support programme, connecting artists with venues nationwide
- **The Chatterleys:** New play for Radio 4

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Achievements and performance (continued)

Kerbs

In February-April 2022, Graeae embarked on an England-wide tour of *Kerbs* by Write to Play graduate Michael Southan. This funny, sweet and quietly subversive show about the pursuit of love and sex was co-produced by the Belgrade Coventry, toured five venues (one in this financial year) and reached live audiences of 1,285. A ticketed digital release followed.

The Paradis Files

This new opera told the story of Maria-Theresia von Paradis, “The Blind Enchantress”, a pianist, composer and touring musician from the 18th Century. This was Graeae’s first full opera and featured music by Errollyn Wallen, a Libretto by Write to Play graduate Nicola Werenowska and based on an original idea by Selina Mills.

Despite every member of the team contracting COVID in rehearsals, it was a glorious success, reaching audiences of over 2,750 and receiving the UK Theatre “Excellence in Touring” award. A digital release reached more audiences not yet ready to return to the theatre.

This Woven O

Graeae returned to Greenwich+Docklands International Festival with a new show written and directed by the Associate Artists. Part sculptural installation, part theatre arena, this series of vignettes explored the transformative power of nature through spoken word, movement and tactile interactions.

Training, education and learning

This past year has been curated by our community and the need for activism, against the backdrop of the stark reality facing disabled people and the arts. Artists and participants have, however, sought joy in a sense of belonging and we have been equally responsive to the quiet voices who are only just starting to re-emerge from the pandemic.

“It is my right to be listened to

It’s my right to dance.

It’s my right be autistic.

It’s my right to have children

It’s my right to travel

it’s my right to choose my personal care.

it’s my right to be Deaf and teach sign-song.

It’s my right to community”

- (The Festival of Rights, Graeae Young Company 2023)

Young Company returned to in-person sessions this year amid excitement and relief at being back together in their Graeae home, while we also continued to provide online and hybrid spaces for those who were still unable to attend in person. Young Company 14+ co-created a poetic new performance *The Festival of Rights* about isolation, freedom and social justice. Through a deep series of research, development and rehearsals, young people took to the stage at Rich Mix in February 2023 with a call to action for a brave new world. Young Company 6+ continued to connect in their online safe space, supported by director Nickie Miles Wildin, to co-author stories and nurture their friendships across the country.

Ensemble bounced back from the difficulties of the pandemic to support our early-career artist alumni across 3 short-courses with drama schools LAMDA and RADA and also BBC Studios. We picked up where we left off with drama schools, developing new ideas for the radical changes needed to improve accessibility in drama training, also engaging new partnerships in a new artistic training model of learning and impact.

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Achievements and performance (continued)

Let Me Be, our Shakespeare-inspired theatre makers course with 1623 Theatre Company took on new heights this year; Cutting Edge Theatre joined us in association to deliver the 10-week course to artists in Scotland supported by Creative Scotland.

In the formal education spaces, we were grateful to partner again with A New Direction, the Cultural Inclusion Manifesto, and Alliance for Inclusive Education (ALLFIE) while developing new allies through work with Ormiston Academies Trust, Woodfield School and Queensmill School to challenge the term SEN/SEND and support young people to have agency in defining their own identities.

Production-related participation returned on a modest scale with Love Letters for a Caravan Holiday for our tour or *Kerbs in 2022*, followed by a portrait and poetry community project for *The Paradis Files* tour. We have begun to redeem our impact in communities as the year has gone on, as part of a new co-production with 20 Stories High which will culminate in 23/24.

We delivered industry and sector training in Aesthetics of Access, Accessible Marketing and Front of House training from Keswick to Korea reaching **over 1,400 industry participants**.

We are thankful to the **2,225 artists and participants** who have helped shape our programme this year and will continue to listen and respond as we begin new chapters of our work across the country and the world.

Associate Artists and Trainees

Thanks to funding from Queens Theatre Hornchurch, the three associate artists (Sonny Nwachachukwu, Kate Lovell, Britny Virginia) were able to stay on until March 2023, while also being appointed as Associate Directors of the venue. Their work was performed at Greenwich+ Docklands, Hornchurch, Islington and they also supported Graeae's other artistic output over the period. Graeae will be recruiting for a new Associate Artist and Director in 2023-24.

Beyond

The sector support programme, which connected disabled artists with venues nationwide, started in April 2020 and reached its conclusion in March 2023. Over 48 artists, from early to mid-stage career, were supported with CPD, mentoring and networking and, as theatres reopened, connected with venues in their area to take their work further. The project was such a success it will now form a core part of Graeae's delivery in future.

Live and Live-to-digital Performance

A festival of digital theatre was launched in November 2023, featuring *10 Nights*, *Kerbs* and *The Paradis Files* and reaching disabled audiences still not able to return to the theatre. *Kerbs* was subsequently shown to audiences in Beijing, reaching an audience in the room of 70 and a further 3,300 streaming online.

Radio

For a number of years now, we have collaborated with Naked Productions to create a drama for BBC Radio 4. This year, Jenny Sealey co-directed a new version of Lady Chatterley's Lover called *The Chatterleys*. This new adaptation was set in modern-day Redcar and was developed working closely with members of BLESMA. It reached audiences of around 764,000 including on BBC Sounds.

Website and Brand

During the year, a grant from Bloomberg Philanthropies enabled us to invest in development of a new website. It also allowed us to invest in branding, audience and donor development and in building a bank of resources for disabled people trying to get into the arts. The new site will launch in late 2023.

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Report of the Trustees for the year ended 31 March 2023

Achievements and performance (continued)

Raising funds

The majority of the charity's income is provided by grants from Arts Council England and from trusts and foundations. To secure these grants the charity has to prepare detailed applications and subsequently, if successful, to provide reports to the funders on the outcome of the relevant activities. The Board considers that the time invested in fundraising activities is vital to maintaining good relationships with funders so as to increase the possibility of securing longer term and repeat funding. The main individual funder remains Arts Council England through the National Portfolio. The other funders which provided grants during the year are listed in note 21 to the financial statements.

In April 2019, the Board approved a new three-year strategic plan which enabled the organisation to grow while maintaining a sound financial underpinning. A number of multi-year grants were secured in pursuit of this plan, the largest of which was a grant from ACE's Transforming Leadership fund to support activity between 2019-2022. Covid-19 affected the timeline of planned projects but, with full agreement from funders, Graeae delivered against all objectives by March 2023.

Corporate training is not yet a reliable and sustainable source of income.

Graeae aims to achieve best practice in the way in which it communicates with funders, donors and other supporters. The majority of funding comes from organisational funders (rather than individuals), and we set high standards in the way that we present our work. Every application and communication is assessed against standards of representation, empowerment and ownership and we only approach funders with a demonstrable commitment to diversity and inclusivity.

In communicating with individual supporters, we take care with the tone and frequency of communications and the accuracy of data to minimise the pressure on supporters. Graeae is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. Graeae applies best practice to protect supporters' data and has updated its Data Management Policy and Privacy Policy in line with GDPR.

Graeae undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. The charity has received no complaints about its fundraising activities.

Plans for future periods

Productions and other artistic activities

Graeae will partner with Wildin and Ng Productions and Theatre by the Lake on *//Tuning In//*, a new piece by Adam Fenton, initially touring May 2023, with more dates to follow.

Self-Raising, an autobiographical piece exploring Jenny Sealey's childhood, will be performed at the Edinburgh Festival in 2023 before a potential tour in 2024.

High Times and Dirty Monsters, a co-production with 20 Stories High and Liverpool Everyman, touring late 2023.

Training, education and learning

Our investment in training and developing Deaf, disabled and neurodivergent artists continues with:

- Write to Play – The Esmée Fairbairn Foundation has awarded grants which will allow this programme to continue at least to December 2024.
- Youth Programme – a multi strand programme to develop the next generation of Deaf, disabled and neurodivergent creative artists.

Wider strategy for the future

Graeae's strategy for 2022-26 firmly establishes its reputation as the national theatre for disabled people. Through partnerships in the North West and East of England, the company will build a lasting presence for disabled people in the regions, opening up the arts for many people that have been denied the opportunity

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Plans for future periods (continued)

before. The strategy sees Graeae investing in training opportunities, collaborative productions and acknowledging its responsibilities to share skills, resources and connections with the wider disability arts sector.

The funding strategy builds on the relative success of 2019-22, in which reserves remained within Board-agreed limits, while delivery increased and the organisation focused better on the needs of the community. However, core costs remain a challenge. In 2011-12 core funding from Arts Council England was £551,147. In 2021-22 it was £574,784. That is a 4% increase after ten years. In that same ten year period Graeae's headline annual rent has increased by 107% from £98,763 to £205,000. The next rent review will apply from July 2023.

Graeae received an uplift from Arts Council England linked to new activity in 2023-26, the continuation of the Beyond programme and two new members of staff (Associate Director North and Associate Artist East). Funding towards overheads remains the same, making for a challenging future at Bradbury Studios.

The Board have authorised a strategy to redesign Graeae's home, bring in more funds from licensees and open out fundraising to a wider group of funding sources.

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Financial review

Income

Total income for the year amounted to £1,396,163 (2022: £1,479,921) of which £1,017,840 (2022: £1,119,290) related to grants and donations receivable without which Graeae could not generate the range of productions and training, education and learning activity that it undertakes. A list of those funders is on page 38.

The charity's principal funding source during the year was Arts Council England which provided core revenue funding of £574,784 (2022: £574,784).

The charity received funds of £116,880 (2022: £68,513) from the "Access to Work" scheme run by the Department of Work and Pensions. This scheme enables the charity to reclaim some of the additional costs incurred in setting up and providing specific work-related access support. Since April 2018 the government has placed an annual cap on the specific support provided by Access to Work for the artistic director. This cap does not always cover the actual requirements of the job which varies depending on activity. The cost of support in 2022-23 exceeded the annual cap by £3,768 (2022: £29,256).

Income from charitable activities includes box office, venue fee and royalties of £122,746 (2022: £74,358), Theatre Tax Relief of £18,052 (2022: £104,114) and fees from training and workshops of £50,477 (2021: £79,026). The charity also received income of £62,895 (2021: £26,353) from trading activities (including the hire of office and rehearsal space, hire of technical equipment and sales of books). Trading income in 2021-22 was been significantly reduced because of coronavirus.

Expenditure

Total expenditure has increased from £1,572,975 for the year ended 31 March 2022 to £1,724,808 in 2022-23.

Expenditure in 2022-23 included:

- *Paradis Files* direct costs of £428,934 (excludes support costs)
- *This Woven O* direct costs of £25,979 (excludes support costs)
- *Kerbs* direct costs of £17,074 (excludes support costs)
- *Beyond* direct costs of £94,271 (excludes support costs)
- *New Writing* direct costs of £76,175 (excludes support costs)
- Young Company direct costs of £77,365 (excludes support costs).

Expenditure in 2021-22 included:

- *10 Nights* direct costs of £128,595 (excludes support costs)
- *Beyond, Beyond Develop, Beyond Digital* direct costs of £172,008 (excludes support costs).
- *Kerbs* direct costs of £141,230 (excludes support costs)
- *New Writing* direct costs of £57,974 (excludes support costs).

Deferred production costs

At 31 March 2023 deferred production costs were £17,150 relating to *Wedding Fair, Self Raising and Bad Lads* (2022: £168,683 primarily relating to *The Paradis Files*).

Risk management

The Board periodically reviews the major external risks to which the charity is exposed and has established systems to mitigate those risks, as far as is reasonably possible. Internal risks are mitigated via robust policies and procedures covering all areas of management, human resources, financial probity, health and safety, environmental issues and diversity targets.

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Risk management (continued)

After mitigation there remains a level of residual financial risk which the Board manages by detailed monitoring of cash flow and fundraising targets alongside a reserves policy informed by the residual risks as discussed below.

Principal risks and uncertainties

The Board is particularly concerned with risks that have the potential to cause the charity to cease operations, and have set in place policies to mitigate those risks. These include:

Lack of strategy and forward planning leading to financial management difficulties. The charity's management prepare three-year Business Plans, regularly updated, and annual budgets, reviewed quarterly by the Board against actual income and expenditure and monthly at a Departmental level. Longer term planning (five to ten years) is challenging because the premises from which Graeae operates are subject to a five yearly rent review, which can have a material effect on overheads.

Health and safety and environmental issues The Joint CEOs monitor the charity's activities, in Bradbury Studios and elsewhere, and ensures that appropriate policies are in place to provide a safe working environment and to meet other legal requirements.

Failure of an income source The charity does not commit to major projects until funds are confirmed and / or sufficient reserves are earmarked. Graeae has been confirmed as a National Portfolio Organisation by Arts Council England for the 2023-24, 2024-25 and 2025-26 financial years and so the Board considers that the charity remains a going concern.

Reserves policy

At 31 March 2023 restricted funds amounted to £1,498,861 (2022: £1,705,067) and unrestricted funds were £1,080,837 (2022: £1,203,276).

Designated funds

Some unrestricted funds have been designated by the Board to address specific areas of financial risk.

- Financial management difficulties

Annual and three year budgets are prepared by the charity and there are detailed budgets for individual productions and training projects. However, theatrical projects retain a significant level of risk around audiences, personnel, timing, and funding. In order that the charity can maintain an ambitious programme and support important outreach opportunities the Board has designated two reserves to assist with funding shortfalls: Artistic fund £40,000 (2022: £40,000); Training, education and learning fund £20,000 (202: £20,000).

The Esmée Fairbairn Foundation has supported Graeae's new writing programme since 2013. Between January 2021 and December 2022 the foundation converted their two year restricted grant to unrestricted to assist the organisation in best supporting its stakeholders to weather the pandemic. In January 2023 they also offered an additional £20,000 unrestricted grant to assist with the pressures of the cost of living crisis. Graeae committed to spend these funds in the spirit of the original grant, towards artist development, and the added flexibility allowed the organisation to bring departments together to best meet the needs of stakeholders. The main grant (£100,000) covering the period January 2023 onwards is restricted and will be spent as such. The flexibility with the previous grant has enabled us to set up a designated fund of £35,000 to increase freelancers fees and match the increased costs of delivering the project this year.

The charity occupies leased premises that are subject to an upward rent review every five years. The Board originally designated a reserve to partially offset the effect of these increases: Leasehold property. The charity has now reduced this reserve to zero, the Board choosing not to hold a designated fund for unknown operating cost.

In the coming financial year Graeae hopes to embark on a capital project related leased premises. The Board has created a designated fund for the costs related to the management and advice required for this project of £30,000.

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Reserves policy (continued)

Designated funds (continued)

The Board is aware of the importance of investment in succession planning, skills' development, marketing and fundraising activities and has designated two funds to support this investment: Marketing fund £10,000 (2022: £15,096); Strategic development fund £20,000 (2021: £25,200).

Fixed asset purchases impact operational budgets over more than one year. The Board designates funds to cover the cost of purchasing and replacing fixed assets where these are not funded by specific grants: Fixed asset fund £17,563 (2022: £23,436). The relevant depreciation is offset against the fund each year.

- Building liability

The charity has a responsibility for the health and safety of people working in and visiting Bradbury Studios. In order to maintain a safe and pleasant working environment the Board has designated a fund for periodic equipment and building maintenance and for unplanned major repairs: Sinking fund £100,000 (2022: £100,000).

- Loss of income source

The charity obtains financial support from the government's Access to Work Scheme but the Board is aware that future support from this scheme is expected to become more limited. The Board has designated a fund to cover unexpected salary costs and other costs relating specifically to staff requiring access support: Access fund £25,000 (2022: £25,000).

Further details about the designated funds can be found in note 15 to the financial statements.

The Board is also aware that failure to comply with regulatory requirements could have potential for significant financial impact on the charity (fines) or closure but considers that it is inappropriate to make specific financial provision for such matters.

General funds

After designating funds to address particular risks the Board aims to hold unrestricted general funds in the region of six months' operating costs. Unrestricted general funds at 31 March 2023 amounted to £783,274 (2022: £797,828). The average monthly operating cost during the year (which excludes the direct costs of productions and training) was £62,350 (2022: £63,542). The balance of undesignated general funds at 31 March 2023 based on past costs represents 12.6 months of operating costs (2022: 12.6 months). In the current economic climate the Board is comfortable with holding this level of general funds.

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Report of the Trustees for the year ended 31 March 2023

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

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

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

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

This report was approved by the Board on 19th Sept 2023 and signed on its behalf by:



Samantha Tatlow
Chair

The Graeae Theatre Company Limited
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Independent auditor's report to the members of The Graeae Theatre Company Limited

Opinion

We have audited the financial statements of The Graeae Theatre Company Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet and the statement of cash flows, and the notes to the financial statements including the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company and 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.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Independent auditor's report to the members of The Graeae Theatre Company Limited

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the charitable company financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Independent auditor's report to the members of The Graeae Theatre Company Limited

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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 and reviewed journal entries to identify unusual transactions;
- Tested authorisation of expenditure;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated 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:

- Ensuring that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Identifying the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- Ensuring that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- Focussing on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to relevant financial reporting standards, the Charities Act 2011 and the Companies Act 2006;
- Agreeing financial statements disclosures to underlying supporting documentation;
- Reading the minutes of trustee meetings; and
- Enquiring of as to actual and potential litigation and claims.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Independent auditor's report to the members of The Graeae Theatre Company Limited

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

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

A further description of our responsibilities 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 auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date: 16 October 2023

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Financial Activities (incorporating an income and expenditure account)
For the Year Ended 31 March 2023

	Notes	Restricted Funds	Unrestricted Funds		Total Funds 2023
		£	General	Designated	£
Income from:					
Donations	2	418,459	579,381	20,000	1,017,840
Charitable activities	3	116,880	191,275	-	308,155
Other trading activities	4	-	62,895	-	62,895
Investments	5	-	7,273	-	7,273
Other income	6	-	-	-	-
Total		<u>535,339</u>	<u>840,824</u>	<u>20,000</u>	<u>1,396,163</u>
Expenditure on:					
Raising funds	7	53,130	171,020	-	224,150
Charitable activities	8	605,471	831,510	63,677	1,500,658
Total		<u>658,601</u>	<u>1,002,530</u>	<u>63,677</u>	<u>1,724,808</u>
Net (expenditure) income	11	(123,262)	(161,706)	(43,677)	(328,645)
Transfers between funds	15	(82,944)	144,895	(61,951)	-
Net movement in funds		<u>(206,206)</u>	<u>(16,811)</u>	<u>(105,628)</u>	<u>(328,645)</u>
Reconciliation of funds:					
Total funds brought forward	15	<u>1,705,067</u>	<u>800,085</u>	<u>403,191</u>	<u>2,908,343</u>
Total funds carried forward	15	<u>1,498,861</u>	<u>783,274</u>	<u>297,563</u>	<u>2,579,698</u>

The Statement of Financial Activities includes all gains and losses recognised in the above financial year.

All income and expenditure derive from continuing activities during the above financial year.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Financial Activities (incorporating an income and expenditure account)
For the Year Ended 31 March 2022

	Notes	Restricted Funds	Unrestricted Funds		Total Funds 2022
		£	General	Designated	£
Income from:					
Donations	2	385,512	730,778	-	1,116,290
Charitable activities	3	71,513	257,498	-	329,011
Other trading activities	4	-	26,353	-	26,353
Investments	5	-	233	-	233
Other income	6	-	8,034	-	8,034
Total		<u>457,025</u>	<u>1,022,896</u>	<u>-</u>	<u>1,479,921</u>
Expenditure on:					
Raising funds	7	27,447	140,436	-	167,883
Charitable activities	8	625,912	779,180	-	1,405,092
Total		<u>653,359</u>	<u>919,616</u>	<u>-</u>	<u>1,572,975</u>
Net (expenditure) income	11	(196,334)	103,280	-	(93,054)
Transfers between funds	15	(83,441)	67,701	15,740	-
Net movement in funds		<u>(279,775)</u>	<u>170,981</u>	<u>15,740</u>	<u>(93,054)</u>
Reconciliation of funds:					
Total funds brought forward	15	<u>1,984,842</u>	<u>629,104</u>	<u>387,451</u>	<u>3,001,397</u>
Total funds carried forward	15	<u>1,705,067</u>	<u>800,085</u>	<u>403,191</u>	<u>2,908,343</u>

The Statement of Financial Activities includes all gains and losses recognised in the above financial year.

All income and expenditure derive from continuing activities during the above financial year.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Balance Sheet at 31 March 2023

	Notes	2023	2022
		£	£
Fixed assets:			
Tangible assets		1,338,302	1,424,930
Heritage assets		1,300	1,300
<i>Total fixed assets</i>	12	1,339,602	1,426,230
Current assets:			
Debtors	13	224,077	424,839
Cash at bank and in hand		1,153,677	1,259,965
<i>Total current assets</i>		1,377,754	1,684,804
Liabilities:			
Creditors: amounts falling due within one year	14	137,658	202,691
<i>Net current assets</i>		1,240,096	1,482,113
<i>Total net assets</i>		2,579,698	2,908,343
The funds of the charity:			
Restricted Funds	15	1,498,861	1,705,067
Unrestricted Funds			
Designated	15	297,563	403,191
General	15	783,274	800,085
<i>Total charity funds</i>		2,579,698	2,908,343

Approved by the Board on 19th Sept 2023 and signed on its behalf by



.....
Samantha Tatlow
Chair

Company no. 01619794

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 March 2023

	Notes	2023	2022
		£	£
Cash flows from operating activities:			
<i>Net cash (used in) generated by operating activities</i>	A	<u>(105,005)</u>	<u>(184,748)</u>
Cash flows from investing activities			
Interest received		7,273	233
Sale of fixed assets		-	12,083
Purchase of tangible fixed assets		<u>(8,556)</u>	<u>(14,554)</u>
<i>Net cash used in investing activities</i>		<u>(1,283)</u>	<u>(2,238)</u>
<i>Change in cash and cash equivalents in the year</i>		(106,288)	(186,986)
Cash and cash equivalents at 1 April 2022		<u>1,259,965</u>	<u>1,446,951</u>
<i>Cash and cash equivalents at 31 March 2023</i>		<u>1,153,677</u>	<u>1,259,965</u>
 A Reconciliation of net income to net cash flow from operating activities			
<i>Net (expenditure) income for the reporting period</i>		(328,645)	(93,054)
Adjustments for:			
Depreciation charges		95,184	90,266
Sale of fixed assets		-	(12,083)
Interest received		(7,273)	(233)
(Increase) / Decrease in debtors		200,762	(229,250)
Increase / (Decrease) in creditors		<u>(65,033)</u>	<u>59,606</u>
<i>Net cash (used in) generated by operating activities</i>		<u>(105,005)</u>	<u>(184,748)</u>

No separate reconciliation of net debt has been prepared as there is no difference between the net cash/(debt) of the charity and the above cash and cash equivalents.

1 ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared for the year to 31 March 2023 under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

(b) Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- estimating the allocation of support costs between activities;
- estimating the useful economic life of tangible fixed assets;
- estimating the value of donated services and gifts.
- assessing the appropriateness of deferring production costs under policy (f) (3) on page 23.

(c) Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

(d) Income

(1) Donations and legacies, including grants which are not conditional on delivering certain levels of activity, are recognised when these are receivable unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-conditions have been met and until then are treated as deferred income. Donations and grants for particular purposes are identified as restricted funds.

(2) Income from box office and venue fees is included in income in the period in which the relevant production takes place.

(3) Theatre Tax Relief claimable by the charity is recognised as income in the year in which the eligible expenditure is incurred.

(4) Other income is recognised on a receivable basis when there is legal entitlement to receipt.

(5) Income relating to rentals in a subsequent period is treated as deferred income.

(6) The value of donated services and gifts in kind provided to the charity are recognised as income at their open market value in the period in which they are receivable, where the benefit to the charity can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities or capitalised as appropriate.

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

1 ACCOUNTING POLICIES (continued)

(e) Expenditure

- (1) Expenditure is accounted for on an accruals basis.
- (2) Expenditure on raising funds comprises those costs incurred in attracting donations, grants and trading income, plus a proportion of the underlying support costs of the company.
- (3) Expenditure on charitable activities comprises those costs incurred on productions, other artistic activities, training and outreach programmes, and grants made to organisations and individuals. It includes both costs that can be allocated directly to those activities plus a proportion of the underlying support costs of the company.
- (4) Core staff costs, office administrative expenses and premises costs are allocated to the costs of raising funds and charitable activities on an estimate of time spent by staff supporting these activities.
- (5) Governance costs, which comprise costs directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements, are included within administrative expenses.

(f) Productions

- (1) For productions occurring wholly within one financial year box office and venue fees are recognised in that year and costs are recognised as incurred. Typically costs are incurred in advance of income being generated.
- (2) Where a production spans the year-end and is expected to be loss making, the expected loss is recognised in full in the year in which the loss is foreseen.
- (3) Where production set up costs have been incurred prior to the year-end but the production has not yet opened, the set up costs are carried forward at the balance sheet date as deferred production costs until such time as the production opens.
- (4) Where Graeae Theatre Company Limited acts as a financially contributing co-producer only that contribution is recognised in the year it is granted.

(g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Assets costing less than £500 are not capitalised. Depreciation is provided on a straight line basis to write off the assets over their anticipated useful economic lives, as follows:

Leasehold property	30 years
Computer equipment	2 years
Office equipment, production equipment, motor vehicles	4 years

Assets under development, being the accumulated costs of designing and building bespoke equipment, are included under tangible fixed assets but are not depreciated until the assets are brought into use. If a decision is made to discontinue development then the accumulated costs are written off in the year that decision is made.

(h) Heritage assets

Heritage assets are works of art which are held and maintained principally for their contribution to knowledge and culture. Heritage assets are not depreciated.

(i) Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material. Other debtors include an estimate of Theatre Tax Relief claimable by the charity.

1 ACCOUNTING POLICIES (continued)

(j) Cash at bank and in hand

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

(k) Creditors and provisions

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

(l) Fund structure

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

Designated funds comprise monies set aside out of unrestricted general funds for specific future purpose or projects.

Restricted funds comprise i) monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions, and also ii) the net book value of tangible fixed assets is included in restricted funds where those assets are funded through restricted grants or donations which require the charity to hold those assets on an ongoing basis for a specific purpose.

(m) Operating lease commitments

Rentals payable under operating leases are charged against expenditure as incurred over the lease term

(n) Pension commitments

The company contributes to a defined contribution pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions paid and payable in the year by the company.

(o) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

(p) Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Listed investments are a basic financial instrument as detailed above. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

(q) Taxation

The company is a registered charity and is therefore not liable for corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

(r) Grant making

Grants to organisations and individuals are accounted for when the award is made.

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

2 INCOME FROM DONATIONS AND GRANTS	Restricted £	Unrestricted £	2023 Total £	Restricted £	Unrestricted £	2022 Total £
Arts Council England (ACE)	-	574,784	574,784	-	574,784	574,784
Other grants received (see note 21)	418,459	20,000	438,459	385,512	140,400	525,912
Donations	-	4,597	4,597	-	15,594	15,594
Total voluntary income	418,459	599,381	1,017,840	385,512	730,778	1,116,290

The funding from Arts Council England and the grants from other funders included under this heading are provided to help the company implement its business plan or to support particular projects but entitlement to the grant is not conditional on fulfilling specific performance-related conditions.

Grants that have specific performance-related conditions are reported as income from charitable activities (note 3).

3 INCOME FROM CHARITABLE ACTIVITIES	Restricted £	Unrestricted £	2023 Total £	Restricted £	Unrestricted £	2022 Total £
Venue fees and royalties	-	122,746	122,746	-	74,358	74,358
Fees from training, workshops and other artistic	-	50,477	50,477	-	79,026	79,026
Other grants received (see note 21)	-	-	-	3,000	-	3,000
Theatre Tax Relief (TTR)	-	18,052	18,052	-	104,114	104,114
Access to Work	116,880	-	116,880	68,513	-	68,513
Total income from charitable activities	116,880	191,275	308,155	71,513	257,498	329,011

From 1 April 2021 the charity began accounting for TTR accruals basis.

4 INCOME FROM OTHER TRADING ACTIVITIES	Restricted £	Unrestricted £	2023 Total £	Restricted £	Unrestricted £	2022 Total £
Income from hire of space and equipment	-	56,676	56,676	-	25,678	25,678
Sales of merchandise and other income	-	6,219	6,219	-	675	675
Total income from other trading activities	-	62,895	62,895	-	26,353	26,353

5 INCOME FROM INVESTMENTS	Restricted £	Unrestricted £	2023 Total £	Restricted £	Unrestricted £	2022 Total £
Interest on deposit accounts	-	7,273	7,273	-	233	233

6 OTHER INCOME	Restricted £	Unrestricted £	2023 Total £	Restricted £	Unrestricted £	2022 Total £
Coronavirus Job Retention Scheme	-	-	-	-	8,034	8,034

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

7 EXPENDITURE ON RAISING FUNDS

	Restricted £	Unrestricted £	2023 Total £	Restricted £	Unrestricted £	2022 Total £
Expenditure on raising grants and donations	-	63,764	63,764	-	65,223	65,223
Expenditure on digital infrastructure	39,960	-	39,960	-	-	-
Expenditure on other trading activities	-	14,092	14,092	-	14,125	14,125
Support costs for raising funds	13,170	93,164	106,334	27,447	61,088	88,535
Total expenditure on raising funds	53,130	171,020	224,150	27,447	140,436	167,883

In 2022-23 the company was awarded funding from the Bloomberg Digital Accelerator Programme to be used in the development of its website and audiences. Expenditure against this programme is recorded as digital infrastructure in expenditure on raising funds.

8 EXPENDITURE ON CHARITABLE ACTIVITIES

	Restricted £	Unrestricted £	2023 Total £	Restricted £	Unrestricted £	2022 Total £
Productions and other artistic	322,785	188,513	511,299	133,654	193,561	327,215
Support costs for productions and other artistic	57,154	404,315	461,469	109,787	255,313	365,100
Training, education and learning (TEL)	194,517	82,949	277,465	270,190	66,697	336,887
Support costs for TEL	31,015	219,410	250,424	112,281	263,609	375,890
Total expenditure on charitable activities	605,471	895,187	1,500,657	625,912	779,180	1,405,092

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

9 ANALYSIS OF SUPPORT COSTS

Support costs are allocated by management estimates of the proportion of staff time spent supporting the three main activities, as follows:

	Raising funds	Productions and other artistic	Training education and learning	2023 Total
Allocation for year ended 31 March 2023	13%	56%	31%	100%
	£	£	£	£
Staff	48,250	209,395	113,633	371,278
Premises	36,167	156,956	85,175	278,298
Administration	21,917	95,118	51,617	168,652
	106,334	461,469	250,424	818,228
Allocation for year ended 31 March 2022	11%	44%	45%	100%
	£	£	£	£
Staff	36,805	151,778	156,264	344,847
Premises	34,498	142,261	146,465	323,224
Administration	17,232	71,061	73,161	161,454
	88,535	365,100	375,890	829,525

10 ANALYSIS OF STAFF COSTS

<u>Employees</u>	2023 £	2022 £
Salaries and wages	542,070	514,183
Social security costs	44,418	37,948
Pension costs	34,209	31,906
Total employee costs	620,697	584,037

The company operates a defined contribution pension scheme. At 31 March 2023, there were 15 employees (2022: 17) with retirement benefits accruing under this scheme.

The average head count (number of staff employed) on the payroll during the year (including casual and part-time staff) was 18.5 (2022: 18).

The average number of full-time equivalent employees on the payroll during the year (including casual and part-time staff) was 14.9 (2022: 15).

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

10 ANALYSIS OF STAFF COSTS (continued)

There was one employee during the year with emoluments (excluding pension contributions) above £60,000 (2022: none).

The key management personnel are the trustees, the Joint Chief Executive Officers, and the Finance Director. The trustees were not paid during the year or the prior year. The salary and pensions paid for the other key management personnel in respect of their services to the charity are shown below.

				2023
	Salary	NI	Pension	Total
	£	£	£	£
Jenny Sealey, joint CEO and Artistic Director	60,600	7,480	4,200	72,280
Kevin Walsh, joint CEO	55,350	6,712	3,780	65,842
Charles Mills, Finance Director (outgoing)	32,354	3,652	2,145	38,151
Matt Jones, Finance Director (incoming)	21,213	2,404	1,450	25,067
				<u>201,340</u>

				2022
	Salary	NI	Pension	Total
	£	£	£	£
Jenny Sealey, joint CEO and Artistic Director	58,763	6,888	4,113	69,764
Kevin Walsh*, joint CEO	51,854	5,935	3,630	61,419
Charles Mills, Finance Director	43,967	4,847	3,078	51,892
				<u>183,075</u>

*previously Executive Director

	2023	2022
Pay multiples of full time equivalent earnings for monthly paid staff at the start of the financial year		
Highest to median	2.0	1.9
Highest to lowest	3.0	2.9

<u>Non-payroll</u>	2023	2022
	£	£
In addition to employees paid through the payroll the company contracts with specific individuals to provide services in relation to the company's activities. These individuals include actors, musicians, directors, choreographers, designers, stage managers, duty managers, practitioners, facilitators, access support workers, interpreters, fundraisers, marketing consultants and financial consultants. The total costs associated with these additional individuals is:	442,424	558,015
	<u> </u>	<u> </u>

11 NET INCOME BEFORE TRANSFERS	2023	2022
	£	£
Net income before transfers is stated after charging:		
Depreciation	95,184	90,266
Auditor's remuneration (statutory audit)	14,450	7,400

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

12 FIXED ASSETS

	Heritage assets £	Computer Equipment £	Production Equipment £	Office equipment £	Leasehold Property £	Total £
COST						
At 1 April 2022	1,300	60,728	124,326	111,475	2,443,033	2,740,862
Additions	-	-	-	8,556	-	8,556
At 31 March 2023	1,300	60,728	124,326	120,031	2,443,033	2,749,418
DEPRECIATION						
At 1 April 2022	-	45,804	124,326	107,312	1,037,190	1,314,632
Charge for the year	-	11,080	-	2,669	81,435	95,184
At 31 March 2023	-	56,884	124,326	109,981	1,118,625	1,409,816
NET BOOK VALUES						
At 31 March 2023	1,300	3,844	-	10,050	1,324,408	1,339,602
At 31 March 2022	1,300	14,924	-	4,163	1,405,843	1,426,230

The heritage asset is a painting of Nabil Shaban by Eleanor Johnson which was donated to the company in November 2016.

13 DEBTORS

	2023 £	2022 £
Trade debtors	53,211	66,598
Other debtors and prepayments	153,716	189,558
Deferred production costs	17,150	168,683
	224,077	424,839

**14 CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR**

	2023 £	2022 £
Trade creditors	58,290	68,969
Other taxes and social security	14,708	18,716
Deferred income	5,318	5,568
Other creditors and accruals	59,342	109,438
	137,658	202,691

The company operates a defined contribution scheme for its employees.
There were contributions due in creditors of £4,210 at 31 March 2023 (2022 £7,303).

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

15 MOVEMENTS IN FUNDS

	At 1 April 2022	Income	Expenditure	Transfers to General	Transfers from General	At 31 March 2023
	£	£	£	£	£	£
<u>Restricted funds</u>						
Leasehold property, including ACE Sustain	1,399,994	-	-	(81,133)	-	1,318,861
Equipment grants	5,249	-	-	(1,879)	-	3,370
Cross project grants	85,576	155,000	(155,604)	-	68	85,040
Productions and other artistic activities	185,444	106,159	(291,603)	-	-	-
Training, education and learning	28,804	157,300	(94,514)	-	-	91,590
Access to Work	-	116,880	(116,880)	-	-	-
Total restricted funds	1,705,067	535,339	(658,601)	(83,012)	68	1,498,861
<u>Unrestricted funds</u>						
Designated funds						
New writing fund	140,716	20,000	(63,677)	(62,039)	-	35,000
Artistic fund	40,000	-	-	(12,443)	12,443	40,000
Training, education and learning	20,000	-	-	-	-	20,000
Marketing fund	15,096	-	-	(5,096)	-	10,000
Strategic development fund	25,200	-	-	(5,200)	-	20,000
Fixed asset fund	21,179	-	-	(12,172)	8,556	17,563
Access fund	25,000	-	-	(6,801)	6,801	25,000
Sinking fund	100,000	-	-	(2,382)	2,382	100,000
Leasehold property operational fund	16,000	-	-	(16,000)	-	-
Leasehold property capital fund	-	-	-	-	30,000	30,000
Total designated funds	403,191	20,000	(63,677)	(122,133)	60,182	297,563
General funds	800,085	840,824	(1,002,530)	205,145	(60,250)	783,274
Total unrestricted funds	1,203,276	860,824	(1,066,207)	83,012	(68)	1,080,837
Total funds	2,908,343	1,396,163	(1,724,808)	-	-	2,579,698

Summary of transfers between restricted funds and unrestricted funds

Depreciation of assets purchased with restricted funds

83,012

Transfer from general to cover restricted cost of TL programme

(68)

83,012

(68)

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

15 MOVEMENTS IN FUNDS

	At 1 April 2021 £	Income £	Expenditure £	Transfers to General £	Transfers from General £	At 31 March 2022 £
<u>Restricted funds</u>						
Leasehold property, including ACE Sustain	1,481,127	-	-	(81,133)	-	1,399,994
Equipment grants	4,529	-	-	(1,537)	2,257	5,249
Cross project grants	357,593	191,862	(463,879)	-	-	85,576
Productions and other artistic activities	60,441	145,944	(23,441)	-	2,500	185,444
Training, education and learning	81,152	50,706	(97,526)	(5,528)	-	28,804
Access to Work	-	68,513	(68,513)	-	-	-
Total restricted funds	1,984,842	457,025	(653,359)	(88,198)	4,757	1,705,067
<u>Unrestricted funds</u>						
<u>Designated funds</u>						
New writing fund	108,877	-	-	-	31,839	140,716
Artistic fund	40,000	-	-	(38,518)	38,518	40,000
Training, education and learning	20,000	-	-	-	-	20,000
Marketing fund	15,096	-	-	-	-	15,096
Strategic development fund	30,000	-	-	(4,800)	-	25,200
Fixed asset fund	16,478	-	-	(7,596)	12,297	21,179
Access fund	25,000	-	-	(9,256)	9,256	25,000
Sinking fund	100,000	-	-	(8,570)	8,570	100,000
Leasehold property operational fund	32,000	-	-	(16,000)	-	16,000
Total designated funds	387,451	-	-	(84,740)	100,480	403,191
General funds	629,104	1,022,896	(919,616)	172,938	(105,237)	800,085
Total unrestricted funds	1,016,555	1,022,896	(919,616)	88,198	(4,757)	1,203,276
Total funds	3,001,397	1,479,921	(1,572,975)	-	-	2,908,343

Summary of transfers between restricted funds and unrestricted funds

Depreciation of assets purchased with restricted funds	82,670
Release of restricted funds for core costs	5,528
Revenue grant used for purchase of computer equipment	(2,257)
Grant previously treated as spent repaid to funder	(2,500)
	88,198
	(4,757)

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

15 MOVEMENTS IN FUNDS (continued)

Restricted funds

Leasehold property fund

The leasehold property fund was set up in 2007-08 for funding received in the development of the Bradbury Studios. The building was acquired under a 30-year lease. The transfer for the year represents the annual depreciation charge.

Equipment grants

These funds represent grants received to contribute to the cost of purchasing, developing or maintaining specific assets. No grants were received during the year (2022: £nil).

During the year £1,879 (2021: £1,537) was applied for depreciation on the assets purchased, maintenance costs, and costs incurred on equipment no longer being developed.

Cross project grants

These are grants that support a range of Graeae's activities.

During the year Graeae received £30,000 from Arts Council England Transforming Leadership (2022: £60,000) and £100,003 has been spent supporting the Beyond project and related activities (2021: £149,551). Delivery of some activities was difficult under Covid restrictions so Arts Council England extended the grant period into 2022-23.

In February 2021 Graeae received £198,107 from the Weston Culture Fund which has supported digital delivery of activities in addition to live performances. £182,466 of which was spent in 2021-22 and the remaining £15,641 was spent in 2022-23.

Also during 2022-23 Graeae received £125,000 (of a total £150,000 expected) from Bloomberg Philanthropies as part of their Digital Accelerator Programme. £39,960 of which was spent in 2022-23.

Productions and other artistic activities

This fund is related to the Graeae's Opera Production - the Paradis files.

During the year Graeae received £102,409 in funding from Arts Council England in support of this project and £3,750 of funding from the Vision Foundation.

All this money has been spent during the year in delivery of this project.

Training, education and learning

Grants totalling £157,300 (2022: £50,706) were received in the year to contribute to the costs of the youth programme, the new writing programmes *Write to Play* and *Play Labs*, Ensemble, the Beyond project and other workshop activities.

Access to Work

The company receives funds from the Department of Work and Pension's "Access to Work" scheme. The scheme enables the company to reclaim some of the additional costs incurred in setting up and providing work-related access support.

15 MOVEMENTS IN FUNDS (continued)

Unrestricted funds

General funds

General funds represent those funds that are unrestricted and are not designated for other specific purposes.

New Writing fund

In the 2021-22 financial year Esme Fairburn, recognising the challenges of Covid restrictions generously made their years eight and nine support for Graeae's new writing programme unrestricted. In 2022-23 we have as far as possible, used these funds as they were originally intended, but we have also released £62,039 to our general funds to support core costs. The remainder of this fund includes other unrestricted donations made with new writing in mind including a further £20,000 in funding from Esme Fairburn in recognition of the pressures of the cost of living crisis.

Artistic Fund

The artistic fund allows the company to develop a more strategic and ambitious programme in the future. In 2022-23 £12,433 was applied to support Graeae's production of *This Woven O* at the Greenwich and Docklands International Festival, our partnership with 20 Stories High of High Times and Dirty Monsters and Kerbs. The Board has agreed to allocate £38,319 to this fund at 31 March 2022 to support our work in the coming year.

Training, education and learning fund

This fund supports important outreach opportunities which may not be funded through specific grants. The Board has agreed to maintain this fund at £20,000 at 31 March 2023.

Marketing fund

The marketing fund is available to support marketing and publicity costs of future projects. The fund was not utilised during 2022-23 and this fund has been adjusted to £10,000 at 31 March 2023.

Strategic Development Fund

The strategic development fund supports investment in succession planning, skill's development, strategic advice and fundraising activities. This fund was not utilised during 2022-23 due to the audience development received through the Bloomberg Digital Accelerator Programme. At 31 March 2023 the board has agreed to set this fund at £20,000 for the purposes of the development of our new fundraising programme and corporate workshop strategy.

Fixed asset fund

The fixed asset fund is to cover the cost of purchasing and replacing fixed assets where these are not funded by specific grants. During the year £12,172 (2022: £7,596) was utilised in respect of depreciation on assets through the fund and the Board agreed to allocate a further £8,556 to the fund for the purchase of a new telephony system and bookcase.

15 MOVEMENTS IN FUNDS (continued)

Unrestricted funds

Access fund

The company employs a higher proportion of people with disabilities than most other organisations. This fund is set up to support access costs that are not covered by Access to work or by specific grants. £6,801 (2022: £9,256) has been utilised during the year. The Board has agreed to restore the fund to £25,000 at 31 March 2023.

Sinking fund

The sinking fund has been set up to cover equipment maintenance, general wear and tear of the building and unplanned maintenance. During the year £2,382 (2022: £8,570) has been spent against this fund. The Board has agreed to restore this fund to £100,000 at 31 March 2023.

Leasehold Property operational fund.

The leasehold property operational fund was originally set up to provide for the anticipated quinquennial rent reviews under the lease and increases in costs of the building generally. During the 2022-23 financial year we have taken the advice of our auditors that it is not common practice to designate funds for unknown operational costs and so with the Board's agreement this fund has been released in 2022-23.

Leasehold Property capital fund.

In the next financial year Graeae intends to embark on a project to make capital adjustments to Bradbury Studios to allow the better utilisation of this asset. In anticipation of the legal and project related costs related to these works, the Board has agreed to establish a £30,000 fund for this purpose at 31 March 2023.

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

	Restricted	Unrestricted	Unrestricted	2023
	General	General	Designated	Total
	£	£	£	£
Fixed assets	1,320,739	1,300	17,563	1,339,602
Current assets	200,584	897,170	280,000	1,377,754
Current liabilities	(22,462)	(115,196)	-	(137,658)

At 31 March 2023	1,498,861	783,274	297,563	2,579,698
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	Restricted	Unrestricted	Unrestricted	2022
	General	General	Designated	Total
	£	£	£	£
Fixed assets	1,403,751	1,300	21,179	1,426,230
Current assets	390,798	909,737	384,269	1,684,804
Current liabilities	(89,482)	(113,209)	-	(202,691)

At 31 March 2021	1,705,067	797,828	405,448	2,908,343
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The company had no capital commitments at 31 March 2023 or at 31 March 2022.

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

18 OPERATING LEASE COMMITMENTS

At 31 March 2023 the charity was committed to making the following payments under non-cancellable operating leases:

	2023	2022
	£	£
Land and buildings - operating leases payments due		
In under one year	137,700	137,700
Later than one year and not later than two years	121,475	137,700
Later than two years and not later than five years	360,000	361,475
Later than five years	1,235,507	1,355,507
	1,854,682	1,992,382
Plant and machinery - operating leases payments due		
In under one year	2,000	2,198
Later than one year and not later than two years	2,000	2,198
Later than two years and not later than five years	3,000	1,099
	7,000	5,495

The lease agreement for the premises at Bradbury Studios is subject to a quinquennial rent review. (see also note 19). The next review is due at 18 July 2023.
The company has entered into a five year lease on a store in Erith which expires on 28 April 2024.

19 LEGAL CHARGE

On 24 November 2008, the company signed a lease relating to premises at Bradbury Studios, 138 Kingsland Road, London, E2 8DY for a term of 30 years expiring 17 July 2038.
The lease premium paid was £1,000,000 plus VAT of £175,000.

Arts Council England (ACE) provided a grant to cover the cost of the premium and other costs relating to the premises. It was a condition of the grant that ACE have a fixed and floating security over the assets of the company. The charge is also dated 24 November 2008.

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

20 RELATED PARTY TRANSACTIONS

Trustee expenses

No expenses were reimbursed to the trustees during the year (2022: £nil).

During: 2022-23

A relative of the Literary Co-ordinator undertook work for the charity on normal business terms:

- script reading for the New Writing department for a fee of £33.

During 2021-22:

A relative of the Artistic Director undertook work for the charity:

- video editing on a project for a total fee of £3000 (on normal business terms).
- supporting R&D on a project for expenses only of £170.

Notes to the Financial Statements
For the Year Ended 31 March 2023 (continued)

21 OTHER GRANTS RECEIVED

	Restricted	Unrestricted	2023 Total	Restricted	Unrestricted	2022 Total
	£	£	£	£	£	£
Note 2 - income from donations						
Arts Council England Cultural Recovery Fund	-	-	-	131,862	-	131,862
Arts Council England project grant	102,409	-	102,409	102,408	-	102,408
Arts Council England Transforming Leadership	30,000	-	30,000	60,000	-	60,000
Bloomberg Digital Accelerator Programme	125,000	-	125,000	-	-	-
City Bridge Trust	57,300	-	57,300	50,706	-	50,706
Creative Land Trust	-	-	-	-	-	-
Esmée Fairbairn Foundation	100,000	20,000	120,000	-	140,400	140,400
Fidelity UK Foundation	-	-	-	20,000	-	20,000
The Curve Theatre	-	-	-	5,000	-	5,000
The Daiwa Foundation	-	-	-	(2,500)	-	(2,500)
The D'Oyly Carte Charitable Trust	-	-	-	4,000	-	4,000
UNESCO Club Vienna	-	-	-	8,411	-	8,411
Vision Foundation	3,750	-	3,750	5,625	-	5,625
	418,459	20,000	438,459	385,512	140,400	525,912
Note 3 - income from charitable activities						
Arts Council England	-	-	-	3,000	-	3,000
	-	-	-	3,000	-	3,000

22 POST BALANCE SHEET EVENTS

In July 2022 Graeae received notification of a legacy from an individual who died on 22 March 2022. The final amount is not yet determined and therefore the Trustees consider that this income should be recognised in 2023-24.

THE GRAEAE THEATRE COMPANY LIMITED

England & Wales - Charity number 284589

Accounts

GRAEAE THEATRE COMPANY LIMITED (THE)

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2022

COMPANY REGISTRATION NUMBER: 01619794

CHARITY REGISTRATION NUMBER: 284589

GRAEae
T H E A T R E C O M P A N Y

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

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The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2022

The Trustees present their report and the financial statements for the year ended 31 March 2022.

The report has been prepared in accordance with the Charities Act 2011 and is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 22-24 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

For the purpose of determining disclosure requirements the charity is classified as:

- a larger charity (having income over £500,000)
- a small company (fewer than 50 employees, turnover less than £6.5million).

Reference and administrative details

<u>Charity number</u>	284589
<u>Company number</u>	01619794
<u>Registered office</u>	Bradbury Studios, 138 Kingsland Road, London E2 8DY
<u>Directors and Trustees</u>	

The directors of the charity are its Trustees for the purpose of charity law. The Trustees who served during the year and since the year-end are as follows:

Samantha Tatlow	Re-appointed 6 December 2021 Appointed as Chair 11 October 2021
Sharon Marshall	Re-appointed 18 January 2021
Jessi Parrott	Re-appointed 6 December 2021
Lisa Oguntinyinbo	Appointed 4 May 2021
Nathan Crossan-Smith	Appointed 6 December 2021
Anthony Lee	Appointed 6 December 2021
Andrea Walter	Appointed 7 March 2022
Deborah Rees	Appointed 5 September 2022
Sarah Howard	Re-appointed as Chair 18 January 2021 Resigned 24 September 2021
Tim Powell	Re-appointed 2 December 2019 Resigned 2 March 2022
Shreela Ghosh	Appointed 2 March 2020 Resigned 23 October 2021
Caroline Loving	Appointed 4 May 2021 Resigned 14 September 2022

Throughout this report the word "Trustees" refers to the individuals and the word "Board" refers to the Trustees acting as a body.

<u>Secretary</u>	Charles Mills
<u>Chief Executive Officer and Artistic Director</u> (to 25 November 2021)	Jenny Sealey, MBE
<u>Joint Chief Executive Officer and Artistic Director</u> (from 26 November 2021)	Jenny Sealey, MBE
<u>Joint Chief Executive Officer</u> (from 26 November 2021)	Kevin Walsh
<u>Auditor</u>	Buzzacott LLP, 130 Wood Street, London EC2V 6DL
<u>Bankers</u>	CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2022

Covid-19

On 17 March 2020 Graeae suspended workshops, postponed productions, and closed Bradbury Studios to visitors and to most staff. The building remained closed for the entirety of 2020-21 except for essential administration, maintenance and repairs. In 2021-22, the building began to reopen; at first for staff and licensees and for small hires later. As infections spiked the building closed and reopened resulting in six months loss of income from hires and a hesitancy to make long-term plans

The company adapted to the change in circumstances in three ways:

It has created a flexible working environment to allow staff members to adapt their hours to their circumstances, to work collaboratively on projects and retrain in areas of greatest need, and invested in technology to enable staff to work effectively from home.

It has created a dynamic, innovative programme of work to be shared through digital mediums including new writing, continuing professional development programmes and wellbeing sessions.

It has supported stakeholders through small grants for technical equipment, access support, and by supporting projects to get the resources they need to thrive.

The Coronavirus Job Retention Scheme supported the retention of staff during building closure, particularly the cleaner who was paid through the scheme until it concluded on 30 September 2021.

Covid-19 will remain an issue for Graeae because many of the individuals with whom it works have underlying health conditions.

During this challenging period the Board wishes to acknowledge that it was supported by:

- Cultural Recovery Fund through Arts Council England
- The Mayor of London's Culture at Risk Business Support Fund and the Creative Land Trust
- The Esmée Fairbairn Foundation
- City Bridge Trust
- Arts Council England
- Paul Hamlyn Foundation
- The Coronavirus Job Retention Scheme
- Garfield Weston Foundation
- National Lottery Community Fund

Structure, governance and management

Governing document

The charity is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 10 December 1981 and updated in December 2011. There are currently eight members, each of whom agrees to contribute £1 in the event of the charity being wound up.

Appointment of Trustees

As set out in the Articles of Association, the Board may at any time appoint any member of the company as a member of the Board, subject to a maximum of twelve members. Any member so appointed retains his/her office until the next Annual General Meeting and is then eligible for re-election. At each Annual General Meeting one-third of the members who have been longest in office retire. All retiring members are eligible for re-election subject to the limits to terms of office set out in the Articles of Association. The charity aims for a Board where 50% or more of the Trustees identify as Deaf, disabled and neurodivergent.

Regular skills' audits are carried out and, when considering appointing new Trustees, the Board has regard to the requirement for any additional specialist skills needed.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2022

Structure, governance and management (continued)

Trustee induction and training

New Trustees are provided with an information pack to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the business plan and the recent financial performance of the charity. Trustees are encouraged to attend training courses about the responsibilities of being a trustee at a venue and time convenient to them. Trustees are also encouraged to visit the charity's office to meet employees and other Trustees outside the formal meetings. Trustees' Away Days are held from time to time so that the company's key aims and objectives can be discussed and reviewed. Trustees are also encouraged to attend productions and appropriate in-house training events.

Organisation

The Board meets, at least quarterly, to manage the affairs of the company. Four Trustees must be present for the meeting to be quorate. During periods of national lockdown, meetings have been held via Zoom conferencing software and meetings have been shorter and every two months to aid accessibility.

There is also a Finance and General Purposes sub-committee which meets up to four times a year. The purpose of the committee is to provide a greater level of scrutiny of, and support to, company officers with a responsibility for financial management.

The Board has previously adopted the NCVO Good Governance: A code for the Voluntary and Community Sector. A newer Charity Governance Code, published on 13 July 2017, has been adopted by the Board. The Board has not yet formally adopted the update to the Code, which was published on 7 December 2020.

The Joint Chief Executive Officers are appointed by the Board to manage the day to day operations of the charity.

To facilitate effective operations, the Joint CEOs delegate authority, within terms of delegation approved by the Board, for operational matters including finance, employment, fundraising, and the artistic, training and educational output of the charity.

The key management personnel for the period covered by this report are:

- the Trustees, who are not paid, and
- the Joint CEOs and the Finance Director, whose remuneration is set by the Board, with reference to market rates for the theatre and charity sectors.

Kevin Walsh was formerly the Executive Director but was appointed as Joint CEO on 26 November 2021. This change is to support the strategic development and succession planning of the charity.

Other charities and related parties

The charity does not have any subsidiary undertakings. The charity collaborates from time to time with other organisations, particularly in the theatre sector, that may also be charities but does not have any formal long term arrangement with any other charity except in relation to grants received for specific activities.

Public benefit

The objects of the charity, as set out in the Articles of Association, are to promote, maintain, improve and advance education, particularly by the production of educational plays and the encouragement of the Arts including the arts of drama, opera, operetta, dance, ballet, music, singing, literature, poetry, sculpture, painting, mime and puppetry.

The charity's particular purpose as a touring theatre company is to develop and promote disabled-led accessible theatre for a wide-ranging audience. The charity's main activities undertaken to further its purpose are theatrical productions and training, education and learning activities.

The Board has given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under section 17 of the Charities Act 2011 when reviewing the charity's aims and objectives and in planning future activities. The Board considers that all of the charity's objectives deliver benefit to the public, as explained below.

Report of the Trustees for the year ended 31 March 2022

Objectives and activities

Graeae is a world leader in developing and promoting disabled-led theatre for a wide-ranging Deaf, disabled, neurodivergent and non-disabled audience using creative and accessible processes.

Graeae's vision is to create world-class accessible theatre, which breaks down barriers, challenges ableist preconceptions and places Deaf, disabled and neurodivergent artists centre stage.

Graeae's mission is to ignite artistic curiosity, pioneer a radical dramatic language, and champion accessibility. We do this by providing a diversity of platforms for new generations of artists, locally, nationally and internationally, through the creation of trail-blazing theatre.

Graeae is a disabled-led human rights company, founded on the need to tackle social injustice, discrimination and exclusion. It is fuelled by the pursuit of inclusion and artistic excellence and champions Deaf, disabled and neurodivergent people in the arts.

The company's strategic aims are to:

- **Create world-class theatre:** produce and tour high quality, high impact theatre that is unmistakably Graeae's, providing a platform for the skill, vision and excellence of Deaf, disabled and neurodivergent artists.
- **Find new audiences:** for Graeae and for the wider industry. Ensure the work has a lasting impact across England, unleashing creativity in regions and communities, working with groups that have little access to art and culture and on a variety of platforms.
- **Champion accessibility:** through partnerships with national and international organisations creating, supporting and advising on accessible environments and practice.
- **Nurture talent:** work with national partners to open up the arts for Deaf, disabled and neurodivergent artists at all experience levels. Create new environments for theatre-makers to thrive and build independence.
- Promote **excellent governance** and leadership across the company, the theatre sector and other businesses. Open up routes to leadership roles for those that have been denied them.
- **Explore new creative horizons:** by scrutinising our practice and by representing a greater diversity of voices on stage.

In promoting and producing world-class theatre, led by Deaf, disabled and neurodivergent directors, writers and performers, Graeae seeks to dismantle barriers to employment in the arts. Despite legislative progress and slowly shifting attitudes, there remains a lack of recognition of the talents of Deaf, disabled and neurodivergent people.

Our programme of work seeks to address this through our productions which showcase the skills of Deaf, disabled and neurodivergent performers. Our productions, through the creative use of sign language, audio description, captioning and relaxed environments also open up theatre to Deaf, disabled and neurodiverse audiences, ensuring that all members of the public benefit from access to the arts. Where possible, we ensure that ticket prices for disabled audience members are subsidised and we only tour shows to venues across the UK which have a high standard of access for disabled people.

Our professional development training programmes provide accessible and inclusive opportunities for learning. They are delivered for aspiring actors, directors and writers to learn the skills they need to work as professionals. Our training programmes are significantly subsidised, in recognition of the economic barriers often faced by Deaf, disabled and neurodivergent artists, and are open to those artists throughout the UK.

Our outreach programme fuels the next generation of theatre-makers and audiences. Our professionally trained disabled artists and workshop leaders act as important role models for young participants, raising aspirations and proving that a career in the arts is possible for all. We believe that through investment in training and education, we can effect change within the industry both for individuals and organisations alike, from young people through to professionals, to ensure that there are equal opportunities for all people to benefit from the arts.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2022

Objectives and activities (continued)

The company continues to advocate equality for all Deaf, disabled and neurodivergent artists and their right to participate in all aspects of society. Despite the impact of the Equality Act, in reality, access is still very uneven in the arts. Most spaces provide only limited levels of accessibility, can cope with only a small number of disabled artists and technicians at any one time, and are capable of dealing with only a limited range of impairments.

Graeae continues to champion access in a number of ways: by using Bradbury Studios as a model of best practice in inclusive design; through authentic representation of disability in theatre; through our training and outreach programmes and through our advocacy work with other organisations.

Graeae's strategic planning is underpinned by sound governance and continual monitoring of our work, measuring quantitatively achievements against targets as well as qualitatively through feedback from audiences and beneficiaries on their experience of Graeae's work.

These were our major activities during the year:

- **10 Nights:** Our first production since the pandemic, performed live at the Bush Theatre and online via digital ticketing.
- **The Tempest:** A collaboration across continents as part of the Tokyo Cultural Olympiad.
- **Kerbs:** A national tour of a new play by a Write to Play graduate, and digital release.
- **Associate Artists and trainees:** Welcoming new people to the team who will help shape the vision of Graeae for the future.
- **Beyond:** a major artist support programme, connecting artists with venues nationwide.
- **Beyond Online:** Launch of a new digital library of resources designed to support artists throughout their careers.
- **Live and Live-to-digital Performance:** In addition to a digital release for our staged plays Graeae also offered new short plays by Graeae Write to Play alumni performed live online under the banners Crips With Chips and Crips Without Constraints.

Achievements and performance

Productions and artistic activities

In April 2021, the country was coming out of a third lockdown. Plans had been made for a phased reopening of Bradbury Studios and for a return to theatres with *10 Nights* in Spring 2021. The goalposts were constantly shifting, making it hard to make firm plans without having a fixed end date in sight. As such, we created a dynamic hybrid plan of theatre-based and digital delivery – adaptable to the reopening schedules for theatres and the further spread of the pandemic locally and nationally.

Incredibly, every project was delivered in full, though it was not always clear that this would be possible until minutes before the curtain rose. The success of the year was greatly due to the flexibility, dedication and commitment of the team.

10 Nights

Shahid Iqbal Khan's play about the last 10 nights of Ramadan was performed at Bush Theatre from 14 October 2021 to 13 November 2021. This was Graeae's first live performance in front of a UK audience since the start of the pandemic and the opening was delayed by a week due to related casting complications. However, it was extremely well received by audiences (reaching over 1,500 live and 212 people through a ticketed digital streaming) and brought new people to Graeae's work.

The Tempest

From her home in Kent, Jenny Sealey directed a Deaf cast of Japanese and Bangladeshi performers in Tokyo as part of the Cultural Olympiad. This new adaptation of *The Tempest* also featured other performers from the UK appearing on screen. Years in the making, and delivered via zoom due to the pandemic, this important piece brought together different nations' experience of natural disaster, while creating a beautiful performance for a live audience.

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Report of the Trustees for the year ended 31 March 2022

Achievements and performance (continued)

Productions and artistic activities (continued)

Kerbs

In February-April 2022, Graeae embarked on an England-wide tour of *Kerbs* by Write to Play graduate Michael Southan. This funny, sweet and quietly subversive show about the pursuit of love and sex was co-produced by the Belgrade Coventry, toured five venues and reached live audiences of 1,100. A ticketed digital release followed.

Training, education and learning

Since the start of the pandemic, we have continued to develop our programme for children, young people and their families/carers and school communities, forming new approaches. We have been determined to embrace changes as opportunities and kept our community of young people close.

The pandemic significantly affected the ability to deliver face to face work in this area but digital residencies and workshop programmes were delivered in schools, the Young Company and youth networks were developed and expanded, and the ensemble alumni were supported through mentoring and workshops.

The Young Artistic Advisors have formed Graeae's Young Company, which has been delivered online as thematic 'chapters' (The Postcard Season, Love & Justice and Celebration) in the making of a new digital film. Alongside this we have been engaging more with the wider family network through home-delivered creative kits and care packages.

The Ensemble programme has been the most affected by the pandemic (meaning all in person training was cancelled). However, we have supported artists across our alumni and a new intake of artists through our Beyond Develop workshops, mentoring, freelance contracts and connecting them with wider resources.

Work with drama schools over this period has been challenging and we have led the way with making the radical changes needed to respond authentically to our next generation.

Advocacy over this time has been more important than ever. The Young Artistic Advisors and Ensemble alumni have continued to advise the industry and education sector through public facing networks, workshops and panel events. A Young Company member was made Young Associate in an initial paid 12-month role. We are engaging with Young Artistic Advisors and their parents to inform Covid-safe policy and a new network for parents promoting their voice through creativity, care and positive advocacy.

Associate Artists and Trainees

We welcomed four training positions to the team in November 2021: three associate artists (Sonny Nwachachukwu, Kate Lovell, Britny Virginia) and a trainee producer (Robyn Bowyer). They immediately got to work on a new digital showcase for disabled writers and presented Crips With Chips Live in December 2021.

Beyond

The sector support programme, which connected disabled artists with venues nationwide, started in April 2020, reached 48 artists from early to mid-stage career with CPD, mentoring and networking. As theatres started to reopen, artists were finally able to build relationships with them, leading to collaborations happening in 2022-23 and in future years.

Beyond Online

A permanent digital library of case studies, downloadable resources, podcasts and more. New material includes interviews with Sonny Nwachukwu and Chisato Minimamura and resources on "Using the Law to Challenge Discrimination" and "Starting a performing arts company".

The Graeae Theatre Company Limited
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Report of the Trustees for the year ended 31 March 2022

Achievements and performance (continued)

Training, education and learning (continued)

Live and Live-to-digital Performance

A new digital strategy has been drawn up that allows shielding audiences to experience vibrant new accessible theatre (and exclusive content) from their homes. In 2021-22 this was applied to both *10 Nights* and *Kerbs* and will be a part of all shows in the foreseeable future.

Raising funds

The majority of the charity's income is provided by grants from Arts Council England and from trusts and foundations. To secure these grants the charity has to prepare detailed applications and subsequently, if successful, to provide reports to the funders on the outcome of the relevant activities. The Board considers that the time invested in fundraising activities is vital to maintaining good relationships with funders so as to increase the possibility of securing longer term and repeat funding. The main individual funder remains Arts Council England through the National Portfolio. The other funders which provided grants during the year are listed in note 21 to the financial statements.

In April 2019, the Board approved a new three-year strategic plan which enabled the organisation to grow while maintaining a sound financial underpinning. A number of multi-year grants were secured in pursuit of this plan, the largest of which was a grant from ACE's Transforming Leadership fund to support activity between 2019-2022. The strategy included approaching multiple funders for multiple projects and including a contribution to overheads in each application. The success of the plan has allowed Graeae to continue to operate from within its home at Bradbury Studios while launching major initiatives such as accredited training programmes, digital resource libraries and a sector support package. Covid-19 has affected many of the planned projects and Graeae has therefore had to adapt or revise planned activity and the timescales for delivery. Partners and funders have been consulted throughout about the changes.

Corporate training is not yet a reliable and sustainable source of income.

Graeae aims to achieve best practice in the way in which it communicates with funders, donors and other supporters. The majority of funding comes from organisational funders (rather than individuals), and we set high standards in the way that we present our work. Every application and communication is assessed against standards of representation, empowerment and ownership and we only approach funders with a demonstrable commitment to diversity and inclusivity.

In communicating with individual supporters, we take care with the tone and frequency of communications and the accuracy of data to minimise the pressure on supporters. Graeae is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. Graeae applies best practice to protect supporters' data and has updated its Data Management Policy and Privacy Policy in line with GDPR.

Graeae undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. The charity has received no complaints about its fundraising activities.

The Graeae Theatre Company Limited
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Report of the Trustees for the year ended 31 March 2022

Plans for future periods

Productions and other artistic activities

The Paradis Files, a new opera, will tour April-May 2022, followed by a BBC Radio 3 release and ticketed digital release.

Self-Raising, an autobiographical piece exploring Jenny Sealey's childhood and aimed at families, set to tour in 2023.

High Times and Dirty Monsters, a co-production with 20 Stories High and Liverpool Everyman, touring late 2023.

Training, education and learning

Our investment in training and developing Deaf, disabled and neurodivergent artists continues with:

- Write to Play – The Esmée Fairbairn Foundation has awarded grants which will allow this programme to continue at least to December 2022.
- Youth Programme – a multi strand programme to develop the next generation of Deaf, disabled and neurodivergent creative artists.

Wider strategy for the future

Graeae's strategy for 2022-26 firmly establishes its reputation as the national theatre for disabled people. Through partnerships in the North West and East of England, the company will build a lasting presence for disabled people in the regions, opening up the arts for many people that have been denied the opportunity before. The strategy sees Graeae investing in training opportunities, collaborative productions and acknowledging its responsibilities to share skills, resources and connections with the wider disability arts sector.

The funding strategy builds on the relative success of 2019-22, in which reserves remained within Board-agreed limits, while delivery increased and the organisation focused better on the needs of the community. However, core costs remain a challenge. In 2011-12 core funding from Arts Council England was £551,147. In 2021-22 it was £574,784. That is a 4% increase after ten years. In that same ten year period Graeae's headline annual rent has increased by 107% from £98,763 to £205,000. The next rent review will apply from July 2023.

Graeae applied to Arts Council England for continued funding as a National Portfolio Organisation for 2023-2026 which was confirmed on 4 November 2022.

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Report of the Trustees for the year ended 31 March 2022

Financial review

Income

Total income for the year amounted to £1,479,921 (2021: £1,620,132) of which £1,119,290 (2021: £1,393,218) related to grants and donations receivable without which Graeae could not generate the range of productions and training, education and learning activity that it undertakes. Some funding was provided specifically to support Graeae and its wider community during Covid-19 restrictions. A list of those funders is on page 3.

The charity's principal funding source during the year was Arts Council England which provided core revenue funding of £574,784 (2021: £574,784).

The charity received funds of £68,513 (2021: £71,312) from the "Access to Work" scheme run by the Department of Work and Pensions. This scheme enables the charity to reclaim some of the additional costs incurred in setting up and providing specific work-related access support. Since April 2018 the government has placed an annual cap on the specific support provided by Access to Work for the artistic director. This cap does not always cover the actual requirements of the job which varies depending on activity. The cost of support in 2021-22 exceeded the annual cap by £30,105 (2021: £24,994).

Income from charitable activities includes box office, venue fee and royalties of £74,358 (2021: £30,000), Theatre Tax Relief of £104,114 (2021: £30,434) and fees from training and workshops of £79,026 (2021: £25,087). The charity also received income of £26,353 (2021: £17,138) from trading activities (including the hire of office and rehearsal space, hire of technical equipment and sales of books). Trading income in both 2020-21 and 2021-22 has been significantly reduced compared to 2019-20 because of coronavirus.

Expenditure

Total expenditure has increased from £1,099,423 for the year ended 31 March 2021 to £1,572,975 in 2021-22.

Expenditure in 2021-22 included:

- *10 Nights* direct costs of £128,595 (excludes support costs)
- *Beyond, Beyond Develop, Beyond Digital* direct costs of £172,008 (excludes support costs).
- *Kerbs* direct costs of £141,230 (excludes support costs)
- *New Writing* direct costs of £57,974 (excludes support costs).

Expenditure in 2020-21 included:

- *Beyond and Beyond Develop*, direct costs of £116,083 (excludes support costs).
- *New Writing* direct costs of £86,513 (excludes support costs).
- *Ensemble* direct costs of £26,088 (excludes support costs).

Deferred production costs

At 31 March 2022 deferred production costs were £168,683 primarily relating to *The Paradis Files* (2021: £94,822 primarily relating to *The Paradis Files* and *10 Nights*).

Risk management

The Board periodically reviews the major external risks to which the charity is exposed and has established systems to mitigate those risks, as far as is reasonably possible. Internal risks are mitigated via robust policies and procedures covering all areas of management, human resources, financial probity, health and safety, environmental issues and diversity targets.

After mitigation there remains a level of residual financial risk which the Board manages by detailed monitoring of cash flow and fundraising targets alongside a reserves policy informed by the residual risks as discussed below.

The Graeae Theatre Company Limited
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Report of the Trustees for the year ended 31 March 2022

Risk management (continued)

Principal risks and uncertainties

The Board is particularly concerned with risks that have the potential to cause the charity to cease operations, and have set in place policies to mitigate those risks. These include:

Lack of strategy and forward planning leading to financial management difficulties. The charity's management prepare three-year Business Plans, regularly updated, and annual budgets, reviewed quarterly against actual income and expenditure. Longer term planning (five to ten years) is challenging because the premises from which Graeae operates are subject to a five yearly rent review, which can have a material effect on overheads.

Health and safety and environmental issues The Joint CEOs monitor the charity's activities, in Bradbury Studios and elsewhere, and ensures that appropriate policies are in place to provide a safe working environment and to meet other legal requirements. In particular, this involves developing appropriate responses to Covid-19.

Failure of an income source The charity does not commit to major projects until funds are confirmed and / or sufficient reserves are earmarked. The Board considers that the charity remains a going concern for at least the next twelve months on the assumption that Arts Council England continues to support Graeae in 2023-24 as a National Portfolio Organisation at at least the same level as in 2022-23.

Reserves policy

At 31 March 2022 restricted funds amounted to £1,705,067 (2021: £1,984,842) and unrestricted funds were £1,203,276 (2021: £1,016,555).

Designated funds

Some unrestricted funds have been designated by the Board to address specific areas of financial risk.

- Financial management difficulties

Annual and three year budgets are prepared by the charity and there are detailed budgets for individual productions and training projects. However, theatrical projects retain a significant level of risk around audiences, personnel, timing, and funding. In order that the charity can maintain an ambitious programme and support important outreach opportunities the Board has designated two reserves to assist with funding shortfalls: Artistic fund £40,000 (2021: £40,000); Training, education and learning fund £20,000 (2021: £20,000).

During 2021-22 the Esmée Fairbairn Foundation continued to support for Graeae's new writing programme. Recognising the challenges of Covid-19 restrictions, Esmée Fairbairn Foundation has generously made this support unrestricted. The Board intends that, as far as possible, Graeae should use these funds as originally intended through a designated fund of £140,716 (2021: £108,877).

The charity occupies leased premises that are subject to an upward rent review every five years. The Board has designated a reserve to partially offset the effect of these increases: Leasehold property operational fund £16,000 (2021: £32,000). The charity is reducing this designated fund to zero over the next year.

The Board is aware of the importance of investment in succession planning, skills' development, marketing and fundraising activities and has designated two funds to support this investment: Marketing fund £15,096 (2021: £15,096); Strategic development fund £25,200 (2021: £30,000).

Fixed asset purchases impact operational budgets over more than one year. The Board designates funds to cover the cost of purchasing and replacing fixed assets where these are not funded by specific grants: Fixed asset fund £23,436 (2021: £16,478). The relevant depreciation is offset against the fund each year.

The Graeae Theatre Company Limited
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Report of the Trustees for the year ended 31 March 2022

Reserves policy (continued)

Designated funds (continued)

- Building liability

The charity has a responsibility for the health and safety of people working in and visiting Bradbury Studios. In order to maintain a safe and pleasant working environment the Board has designated a fund for periodic equipment and building maintenance and for unplanned major repairs: Sinking fund £100,000 (2021: £100,000).

- Loss of income source

The charity obtains financial support from the government's Access to Work Scheme but the Board is aware that future support from this scheme is expected to become more limited. The Board has designated a fund to cover unexpected salary costs and other costs relating specifically to staff requiring access support: Access fund £25,000 (2021: £25,000).

Further details about the designated funds can be found in note 15 to the financial statements.

The Board is also aware that failure to comply with regulatory requirements could have potential for significant financial impact on the charity (fines) or closure but considers that it is inappropriate to make specific financial provision for such matters.

General funds

After designating funds to address particular risks the Board aims to hold unrestricted general funds in the region of six months' operating costs. Unrestricted general funds at 31 March 2022 amounted to £797,828 (2021: £629,404). The average monthly operating cost during the year (which excludes the direct costs of productions and training) was £63,542 (2021: £50,209). The balance of undesignated general funds at 31 March 2022 based on past costs represents 12.6 months of operating costs (2021: 12.5 months). In the current economic climate the Board is comfortable with holding this level of general funds.

The Graeae Theatre Company Limited
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Report of the Trustees for the year ended 31 March 2022

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

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

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

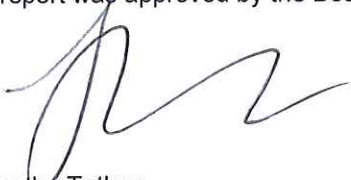
Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

This report was approved by the Board on 9 December 2022 and signed on its behalf by:



Samantha Tatlow
Chair

The Graeae Theatre Company Limited
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Independent auditor's report to the members of The Graeae Theatre Company Limited

Opinion

We have audited the financial statements of The Graeae Theatre Company Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and the statement of cash flows, and the notes to the financial statements including the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company and 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.

The Graeae Theatre Company Limited
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Independent auditor's report to the members of The Graeae Theatre Company Limited

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the charitable company financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report.

The Graeae Theatre Company Limited
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Independent auditor's report to the members of The Graeae Theatre Company Limited

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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 and reviewed journal entries to identify unusual transactions;
- Tested authorisation of expenditure;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated 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:

- Ensuring that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Identifying the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- Ensuring that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- Focussing on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to relevant financial reporting standards, the Charities Act 2011 and the Companies Act 2006;
- Agreeing financial statements disclosures to underlying supporting documentation;
- Reading the minutes of trustee meetings; and
- Enquiring of as to actual and potential litigation and claims.

The Graeae Theatre Company Limited
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Independent auditor's report to the members of The Graeae Theatre Company Limited

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

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

A further description of our responsibilities 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 auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date: 20 December 2022

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Financial Activities (incorporating an income and expenditure account)
For the Year Ended 31 March 2022

	Notes	Restricted Funds	Unrestricted Funds General	Designated	Total Funds 2022
		£	£	£	£
Income from:					
Donations	2	385,512	730,778	-	1,116,290
Charitable activities	3	71,513	257,498	-	329,011
Other trading activities	4	-	26,353	-	26,353
Investments	5	-	233	-	233
Other income	6	-	8,034	-	8,034
Total		<u>457,025</u>	<u>1,022,896</u>	<u>-</u>	<u>1,479,921</u>
Expenditure on:					
Raising funds	7	27,447	140,436	-	167,883
Charitable activities	8	625,912	779,180	-	1,405,092
Total		<u>653,359</u>	<u>919,616</u>	<u>-</u>	<u>1,572,975</u>
Net (expenditure) income	11	(196,334)	103,280	-	(93,054)
Transfers between funds	15	(83,441)	65,444	17,997	-
Net movement in funds		<u>(279,775)</u>	<u>168,724</u>	<u>17,997</u>	<u>(93,054)</u>
Reconciliation of funds:					
Total funds brought forward	15	<u>1,984,842</u>	<u>629,104</u>	<u>387,451</u>	<u>3,001,397</u>
Total funds carried forward	15	<u>1,705,067</u>	<u>797,828</u>	<u>405,448</u>	<u>2,908,343</u>

The Statement of Financial Activities includes all gains and losses recognised in the above financial year.

All income and expenditure derive from continuing activities during the above financial year.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Financial Activities (incorporating an income and expenditure account)
For the Year Ended 31 March 2021

	Notes	Restricted Funds	Unrestricted Funds General	Designated	Total Funds 2021
		£	£	£	£
Income from:					
Donations	2	473,917	762,022	-	1,235,939
Charitable activities	3	217,584	96,528	-	314,112
Other trading activities	4	-	17,138	-	17,138
Investments	5	-	477	-	477
Other income	6	-	52,466	-	52,466
Total		<u>691,501</u>	<u>928,631</u>	<u>-</u>	<u>1,620,132</u>
Expenditure on:					
Raising funds	7	12,602	163,649	-	176,251
Charitable activities	8	329,841	593,331	-	923,172
Total		<u>342,443</u>	<u>756,980</u>	<u>-</u>	<u>1,099,423</u>
Net income	11	349,058	171,651	-	520,709
Transfers between funds	15	(122,892)	(28,081)	150,973	-
Net movement in funds		<u>226,166</u>	<u>143,570</u>	<u>150,973</u>	<u>520,709</u>
Reconciliation of funds:					
Total funds brought forward	15	1,758,676	485,534	236,478	2,480,688
Total funds carried forward	15	<u>1,984,842</u>	<u>629,104</u>	<u>387,451</u>	<u>3,001,397</u>

The Statement of Financial Activities includes all gains and losses recognised in the above financial year.

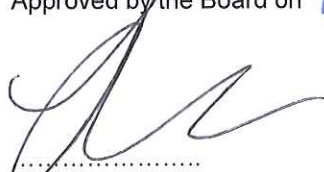
All income and expenditure derive from continuing activities during the above financial year.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Balance Sheet at 31 March 2022

	Notes	2022	2021
		£	£
Fixed assets:			
Tangible assets		1,424,930	1,500,642
Heritage assets		1,300	1,300
<i>Total fixed assets</i>	12	1,426,230	1,501,942
Current assets:			
Debtors	13	424,839	195,589
Cash at bank and in hand		1,259,965	1,446,951
<i>Total current assets</i>		1,684,804	1,642,540
Liabilities:			
Creditors: amounts falling due within one year	14	202,691	143,085
<i>Net current assets</i>		1,482,113	1,499,455
<i>Total net assets</i>		2,908,343	3,001,397
The funds of the charity:			
Restricted Funds	15	1,705,067	1,984,842
Unrestricted Funds			
Designated	15	405,448	387,451
General	15	797,828	629,104
<i>Total charity funds</i>		2,908,343	3,001,397

Approved by the Board on 9 December 2022 and signed on its behalf by


Samantha Tatlow
Chair

Company no. 01619794

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 March 2022

	Notes	2022	2021
		£	£
Cash flows from operating activities:			
<i>Net cash (used in) generated by operating activities</i>	A	<u>(184,748)</u>	<u>557,506</u>
Cash flows from investing activities			
Interest received		233	477
Sale of fixed assets		12,083	-
Purchase of tangible fixed assets		<u>(14,554)</u>	<u>(7,553)</u>
<i>Net cash used in investing activities</i>		<u>(2,238)</u>	<u>(7,076)</u>
<i>Change in cash and cash equivalents in the year</i>		(186,986)	550,430
Cash and cash equivalents at 1 April 2021		<u>1,446,951</u>	<u>896,521</u>
<i>Cash and cash equivalents at 31 March 2022</i>		<u>1,259,965</u>	<u>1,446,951</u>

A Reconciliation of net income to net cash flow from operating activities

<i>Net (expenditure) income for the reporting period</i>	(93,054)	520,709
Adjustments for:		
Depreciation charges	90,266	88,296
Sale of fixed assets	(12,083)	-
Interest received	(233)	(477)
Increase in debtors	(229,250)	(70,645)
Increase in creditors	<u>59,606</u>	<u>19,623</u>
<i>Net cash (used in) generated by operating activities</i>	<u>(184,748)</u>	<u>557,506</u>

No separate reconciliation of net debt has been prepared as there is no difference between the net cash/(debt) of the charity and the above cash and cash equivalents.

1 ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared for the year to 31 March 2022 under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

(b) Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- estimating the allocation of support costs between activities;
- estimating the useful economic life of tangible fixed assets;
- estimating the value of donated services and gifts.
- assessing the appropriateness of deferring production costs under policy (f) (3) on page 23.

(c) Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

(d) Income

(1) Donations and legacies, including grants which are not conditional on delivering certain levels of activity, are recognised when these are receivable unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-conditions have been met and until then are treated as deferred income. Donations and grants for particular purposes are identified as restricted funds.

(2) Income from box office and venue fees is included in income in the period in which the relevant production takes place.

(3) Theatre Tax Relief claimable by the charity is recognised as income in the year in which the eligible expenditure is incurred.

(4) Other income is recognised on a receivable basis when there is legal entitlement to receipt.

(5) Income relating to rentals in a subsequent period is treated as deferred income.

(6) The value of donated services and gifts in kind provided to the charity are recognised as income at their open market value in the period in which they are receivable, where the benefit to the charity can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities or capitalised as appropriate.

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

1 ACCOUNTING POLICIES (continued)

(e) Expenditure

- (1) Expenditure is accounted for on an accruals basis.
- (2) Expenditure on raising funds comprises those costs incurred in attracting donations, grants and trading income, plus a proportion of the underlying support costs of the company.
- (3) Expenditure on charitable activities comprises those costs incurred on productions, other artistic activities, training and outreach programmes, and grants made to organisations and individuals. It includes both costs that can be allocated directly to those activities plus a proportion of the underlying support costs of the company.
- (4) Core staff costs, office administrative expenses and premises costs are allocated to the costs of raising funds and charitable activities on an estimate of time spent by staff supporting these activities.
- (5) Governance costs, which comprise costs directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements, are included within administrative expenses.

(f) Productions

- (1) For productions occurring wholly within one financial year box office and venue fees are recognised in that year and costs are recognised as incurred. Typically costs are incurred in advance of income being generated.
- (2) Where a production spans the year-end and is expected to be loss making, the expected loss is recognised in full in the year in which the loss is foreseen.
- (3) Where production set up costs have been incurred prior to the year-end but the production has not yet opened, the set up costs are carried forward at the balance sheet date as deferred production costs until such time as the production opens.

(g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Assets costing less than £500 are not capitalised. Depreciation is provided on a straight line basis to write off the assets over their anticipated useful economic lives, as follows:

Leasehold property	30 years
Computer equipment	2 years
Office equipment, production equipment, motor vehicles	4 years

Assets under development, being the accumulated costs of designing and building bespoke equipment, are included under tangible fixed assets but are not depreciated until the assets are brought into use. If a decision is made to discontinue development then the accumulated costs are written off in the year that decision is made.

(h) Heritage assets

Heritage assets are works of art which are held and maintained principally for their contribution to knowledge and culture. Heritage assets are not depreciated.

(i) Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material. Other debtors include an estimate of Theatre Tax Relief claimable by the charity.

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

1 ACCOUNTING POLICIES (continued)

(j) Cash at bank and in hand

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

(k) Creditors and provisions

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

(l) Fund structure

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

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds comprise i) monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions, and also ii) the net book value of tangible fixed assets is included in restricted funds where those assets are funded through restricted grants or donations which require the charity to hold those assets on an ongoing basis for a specific purpose.

(m) Operating lease commitments

Rentals payable under operating leases are charged against expenditure as incurred over the lease term.

(n) Pension commitments

The company contributes to a defined contribution pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions paid and payable in the year by the company.

(o) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

(p) Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Listed investments are a basic financial instrument as detailed above. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

(q) Taxation

The company is a registered charity and is therefore not liable for corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

(r) Grant making

Grants to organisations and individuals are accounted for when the payment is made.

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

2 INCOME FROM DONATIONS AND GRANTS

	Restricted £	Unrestricted £	2022 Total £	Restricted £	Unrestricted £	2021 Total £
Arts Council England (ACE)	-	574,784	574,784	-	574,784	574,784
Other grants received (see note 21)	385,512	140,400	525,912	473,917	150,000	623,917
Donations	-	15,594	15,594	-	37,238	37,238
Total voluntary income	385,512	730,778	1,116,290	473,917	762,022	1,235,939

The funding from Arts Council England and the grants from other funders included under this heading are provided to help the company implement its business plan or to support particular projects but entitlement to the grant is not conditional on fulfilling specific performance-related conditions.

Grants that have specific performance-related conditions are reported as income from charitable activities (note 3).

3 INCOME FROM CHARITABLE ACTIVITIES

	Restricted £	Unrestricted £	2022 Total £	Restricted £	Unrestricted £	2021 Total £
Box office, venue fees and royalties	-	74,358	74,358	-	30,000	30,000
Fees from training, workshops and other artistic	-	79,026	79,026	-	25,087	25,087
Other grants received (see note 21)	3,000	-	3,000	146,272	11,007	157,279
Theatre Tax Relief (TTR)	-	104,114	104,114	-	30,434	30,434
Access to Work	68,513	-	68,513	71,312	-	71,312
Total income from charitable activities	71,513	257,498	329,011	217,584	96,528	314,112

Up to 31 March 2021 the charity recognised TTR only when received. From 1 April 2021 the charity is accounting for TTR on an accruals basis. This change has increased the TTR amount reported for 2021-22 by £57,000.

4 INCOME FROM OTHER TRADING ACTIVITIES

	Restricted £	Unrestricted £	2022 Total £	Restricted £	Unrestricted £	2021 Total £
Income from hire of space and equipment	-	25,678	25,678	-	16,850	16,850
Sales of merchandise and other income	-	675	675	-	288	288
Total income from other trading activities	-	26,353	26,353	-	17,138	17,138

5 INCOME FROM INVESTMENTS

	Restricted £	Unrestricted £	2022 Total £	Restricted £	Unrestricted £	2021 Total £
Interest on deposit accounts	-	233	233	-	477	477

6 OTHER INCOME

	Restricted £	Unrestricted £	2022 Total £	Restricted £	Unrestricted £	2021 Total £
Coronavirus Job Retention Scheme	-	8,034	8,034	-	52,466	52,466

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

7 EXPENDITURE ON RAISING FUNDS

	Restricted £	Unrestricted £	2022 Total £	Restricted £	Unrestricted £	2021 Total £
Expenditure on raising grants and donations	-	65,223	65,223	-	45,638	45,638
Expenditure on other trading activities	-	14,125	14,125	-	19,019	19,019
Support costs for raising funds	27,447	61,088	88,535	12,602	98,992	111,594
Total expenditure on raising funds	27,447	140,436	167,883	12,602	163,649	176,251

8 EXPENDITURE ON CHARITABLE ACTIVITIES

	Restricted £	Unrestricted £	2022 Total £	Restricted £	Unrestricted £	2021 Total £
Productions and other artistic	133,654	193,561	327,215	62,906	16,587	79,493
Support costs for productions and other artistic	109,787	255,313	365,100	15,752	123,739	139,491
Training, education and learning (TEL)	270,190	66,697	336,887	200,775	57,041	257,816
Support costs for TEL	112,281	263,609	375,890	50,408	395,964	446,372
Total expenditure on charitable activities	625,912	779,180	1,405,092	329,841	593,331	923,172

In 2020-21 the company was awarded grants by Arts Council England and by Paul Hamlyn Foundation to be used for supporting Deaf, disabled and neuro-divergent artists during the Covid-19 restrictions. Part of this money was distributed as:

- Grants to individuals towards the purchase of IT and audio equipment.
 - Grants to organisations to provide access support including BSL interpreters, palantypists and note takers.
- The value of these grants included in total expenditure on charitable activities is £nil (2021: £45,715).

In 2021-22 the company distributed funds from the Arts Council England Transforming Leadership funding as microbursaries to 23 artists supported under the Beyond programme. These grants provided the artists with experience of making an application for funds and administering a small grant to develop their creative ideas. The value of these grants included in total expenditure on charitable activities is £23,500 (2021: £nil).

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

9 ANALYSIS OF SUPPORT COSTS

Support costs are allocated by management estimates of the proportion of staff time spent supporting the three main activities, as follows:

	Raising funds	Productions and other artistic	Training education and learning	2022 Total
Allocation for year ended 31 March 2022	11%	44%	45%	100%
	£	£	£	£
Staff	36,805	151,778	156,264	344,847
Premises	34,498	142,261	146,465	323,224
Administration	17,232	71,061	73,161	161,454
	88,535	365,100	375,890	829,525
				2021 Total
Allocation for year ended 31 March 2021	16%	20%	64%	100%
	£	£	£	£
Staff	48,032	60,040	192,127	300,199
Premises	43,620	54,524	174,478	272,622
Administration	19,942	24,927	79,767	124,636
	111,594	139,491	446,372	697,457

10 ANALYSIS OF STAFF COSTS

<u>Employees</u>	2022	2021
	£	£
Salaries and wages	514,183	430,248
Social security costs	37,948	36,890
Pension costs	31,906	29,491
Total employee costs	584,037	496,629

The company operates a defined contribution pension scheme. At 31 March 2022, there were 17 employees (2021: 15) with retirement benefits accruing under this scheme.

The average head count (number of staff employed) on the payroll during the year (including casual and part-time staff) was 18 (2021: 15).

The average number of full-time equivalent employees on the payroll during the year (including casual and part-time staff) was 15 (2021: 13).

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

10 ANALYSIS OF STAFF COSTS (continued)

There were no employees during the year with emoluments (excluding pension contributions) above £60,000 (2021: none).

The key management personnel are the trustees, the Joint Chief Executive Officers, and the Finance Director. The trustees were not paid during the year or the prior year. The salary and pensions paid for the other key management personnel in respect of their services to the charity are shown below.

				2022
	Salary	NI	Pension	Total
	£	£	£	£
Jenny Sealey, joint CEO and Artistic Director	58,763	6,888	4,113	69,764
Kevin Walsh*, joint CEO	51,854	5,935	3,630	61,419
Charles Mills, Finance Director	43,967	4,847	3,078	51,892
				183,075

*previously Executive Director

				2021
	Salary	NI	Pension	Total
	£	£	£	£
Jenny Sealey, CEO and Artistic Director	57,250	6,687	4,007	67,944
Kevin Walsh, Executive Director	50,000	5,686	3,500	59,186
Charles Mills, Finance Director	46,500	5,203	3,255	54,958
				182,088

	2022	2021
Pay multiples of full time equivalent earnings for monthly paid staff at the start of the financial year		
Highest to median	1.9	1.8
Highest to lowest	2.9	2.9

	2022	2021
Percentage by which hourly earnings for monthly paid male staff exceed hourly earnings for monthly paid female staff at the start of the financial year		
Mean	12	8
Median	17	10

Non-payroll

	2022	2021
	£	£
In addition to employees paid through the payroll the company contracts with specific individuals to provide services in relation to the company's activities. These individuals include actors, musicians, directors, choreographers, designers, stage managers, duty managers, practitioners, facilitators, access support workers, interpreters, fundraisers, marketing consultants and financial consultants. The total costs associated with these additional individuals is:	558,015	412,173

11 NET INCOME BEFORE TRANSFERS

	2022	2021
	£	£
Net income before transfers is stated after charging:		
Depreciation	90,266	88,296
Auditor's remuneration (statutory audit)	7,400	7,250

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

12 FIXED ASSETS

	Heritage assets £	Computer Equipment £	Production Equipment £	Motor Vehicles £	Office Equipment £	Leasehold Property £	Total £
COST							
At 1 April 2021	1,300	47,607	124,326	38,356	110,567	2,443,033	2,765,189
Additions	-	13,121	-	-	1,433	-	14,554
Disposals	-	-	-	(38,356)	(525)	-	(38,881)
At 31 March 2022	1,300	60,728	124,326	-	111,475	2,443,033	2,740,862
DEPRECIATION							
At 1 April 2021	-	39,178	123,539	38,356	106,419	955,755	1,263,247
Charge for the year	-	6,626	787	-	1,418	81,435	90,266
Disposals	-	-	-	(38,356)	(525)	-	(38,881)
At 31 March 2022	-	45,804	124,326	-	107,312	1,037,190	1,314,632
NET BOOK VALUES							
At 31 March 2022	1,300	14,924	-	-	4,163	1,405,843	1,426,230
At 31 March 2021	1,300	8,429	787	-	4,148	1,487,278	1,501,942

The heritage asset is a painting of Nabil Shaban by Eleanor Johnson which was donated to the company in November 2016.

13 DEBTORS

	2022 £	2021 £
Trade debtors	66,598	36,543
Other debtors and prepayments	189,558	64,224
Deferred production costs	168,683	94,822
	424,839	195,589

**14 CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR**

	2022 £	2021 £
Trade creditors	68,969	46,046
Other taxes and social security	18,716	11,078
Deferred income	5,568	5,000
Other creditors and accruals	109,438	80,961
	202,691	143,085

The company operates a defined contribution scheme for its employees.
There were contributions due in creditors of £7,303 at 31 March 2022 (2021 £nil).

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

15 MOVEMENTS IN FUNDS

	At 1 April 2021 £	Income £	Expenditure £	Transfers to General £	Transfers from General £	At 31 March 2022 £
<u>Restricted funds</u>						
Leasehold property, including ACE Sustain	1,481,127	-	-	(81,133)	-	1,399,994
Equipment grants	4,529	-	-	(1,537)	2,257	5,249
Cross project grants	357,593	191,862	(463,879)	-	-	85,576
Productions and other artistic activities	60,441	145,944	(23,441)	-	2,500	185,444
Training, education and learning	81,152	50,706	(97,526)	(5,528)	-	28,804
Access to Work	-	68,513	(68,513)	-	-	-
Total restricted funds	1,984,842	457,025	(653,359)	(88,198)	4,757	1,705,067
<u>Unrestricted funds</u>						
<u>Designated funds</u>						
New writing fund	108,877	-	-	-	31,839	140,716
Artistic fund	40,000	-	-	(38,518)	38,518	40,000
Training, education and learning	20,000	-	-	-	-	20,000
Marketing fund	15,096	-	-	-	-	15,096
Strategic development fund	30,000	-	-	(4,800)	-	25,200
Fixed asset fund	16,478	-	-	(7,596)	14,554	23,436
Access fund	25,000	-	-	(9,256)	9,256	25,000
Sinking fund	100,000	-	-	(8,570)	8,570	100,000
Leasehold property operational fund	32,000	-	-	(16,000)	-	16,000
Total designated funds	387,451	-	-	(84,740)	102,737	405,448
General funds	629,104	1,022,896	(919,616)	172,938	(107,494)	797,828
Total unrestricted funds	1,016,555	1,022,896	(919,616)	88,198	(4,757)	1,203,276
Total funds	3,001,397	1,479,921	(1,572,975)	-	-	2,908,343

Summary of transfers between restricted funds and unrestricted funds

Depreciation of assets purchased with restricted funds	82,670	
Release of restricted funds for core costs	5,528	
Revenue grant used for purchase of computer equipment		(2,257)
Grant previously treated as spent repaid to funder		(2,500)
	<u>88,198</u>	<u>(4,757)</u>

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

15 MOVEMENTS IN FUNDS (continued)

	At 1 April 2020 £	Income £	Expenditure £	Transfers to General £	Transfers from General £	At 31 March 2021 £
<u>Restricted funds</u>						
Leasehold property, including ACE Sustain	1,562,260	-	-	(81,133)	-	1,481,127
Equipment grants	7,156	-	-	(2,627)	-	4,529
Cross project grants	100,000	315,557	(57,964)	-	-	357,593
Productions and other artistic activities	20,000	113,000	(62,906)	(9,653)	-	60,441
Training, education and learning	69,260	191,632	(150,261)	(29,479)	-	81,152
Access to Work	-	71,312	(71,312)	-	-	-
Total restricted funds	1,758,676	691,501	(342,443)	(122,892)	-	1,984,842
<u>Unrestricted funds</u>						
<u>Designated funds</u>						
New writing fund	-	-	-	-	108,877	108,877
Artistic fund	40,000	-	-	(4,854)	4,854	40,000
Training, education and learning	20,000	-	-	(26,088)	26,088	20,000
Marketing fund	18,000	-	-	(2,904)	-	15,096
Strategic development fund	12,992	-	-	(600)	17,608	30,000
Fixed asset fund	12,486	-	-	(4,536)	8,528	16,478
Access fund	25,000	-	-	(19,368)	19,368	25,000
Sinking fund	60,000	-	-	(5,975)	45,975	100,000
Leasehold property operational fund	48,000	-	-	(16,000)	-	32,000
Total designated funds	236,478	-	-	(80,325)	231,298	387,451
General funds	485,534	928,631	(756,980)	203,217	(231,298)	629,104
Total unrestricted funds	722,012	928,631	(756,980)	122,892	-	1,016,555
Total funds	2,480,688	1,620,132	(1,099,423)	-	-	3,001,397

Summary of transfers from restricted funds to unrestricted funds

Depreciation of assets purchased with restricted funds	83,760
Grant received in 2020-21 for expenditure incurred in 2019-20	9,653
Release of restricted funds for core costs	29,479
	<u>122,892</u>

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

15 MOVEMENTS IN FUNDS (continued)

Restricted funds

Leasehold property fund

The leasehold property fund was set up in 2007-08 for funding received in the development of the Bradbury Studios. The building was acquired under a 30-year lease. The transfer for the year represents the annual depreciation charge.

Equipment grants

These funds represent grants received to contribute to the cost of purchasing, developing or maintaining specific assets. No grants were received during the year (2021: £nil). £2,257 was added to this fund (2021: nil) representing the amount of a grant from Garfield Weston Foundation which was spent on a fixed asset. During the year £1,537 (2021: £2,627) was applied for depreciation on the assets purchased, maintenance costs, and costs incurred on equipment no longer being developed.

Cross project grants

These are grants that support a range of Graeae's activities. During the year Graeae received £60,000 from Arts Council England Transforming Leadership (2021: £110,000) and £149,551 has been spent supporting the Beyond project and related activities (2021: £50,659). Delivery of some activities has been difficult under Covid restrictions so Arts Council England has extended the grant period into 2022-23. In February 2021 Graeae received £198,107 from the Weston Culture Fund which has supported digital delivery of activities in addition to live performances. £182,466 has been spent in 2021-22.

Productions and other artistic activities

This fund includes £20,000 from Cockayne Foundation received in July 2019 for a future opera production and a further £20,000 from The Stables received in March 2020 for the same production. All £40,000 is being carried forward at 31 March 2022. During 2020-21 Graeae received grants of £63,000 from Arts Council England and £20,000 from Paul Hamlyn Foundation to support deaf and disabled artists during Covid restrictions by providing IT equipment and access support for online activities. At 31 March 2021 there was £20,441 remaining to be distributed and a further £3,000 was received in 2021-22. All this money has been spent during the year.

Training, education and learning

Grants totalling £50,706 (2021: £191,632) were received in the year to contribute to the costs of the youth programme, the new writing programmes *Write to Play* and *Play Labs*, Ensemble, the Beyond project and other workshop activities.

Access to Work

The company receives funds from the Department of Work and Pension's "Access to Work" scheme. The scheme enables the company to reclaim some of the additional costs incurred in setting up and providing work-related access support.

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

15 MOVEMENTS IN FUNDS (continued)

Unrestricted funds

General funds

General funds represent those funds that are unrestricted and not designated for other specific purposes.

New writing fund

Esmée Fairbairn Foundation has agreed continuing support for years eight and nine of Graeae's new writing programme. However, recognising the challenges of Covid restrictions, Esmée Fairbairn Foundation has generously made this support unrestricted. Graeae's intention, as far as possible, is to use these funds as originally intended, hence this designated fund. The fund also includes other unrestricted donations which were made with new writing in mind.

Artistic fund

The artistic fund allows the company to develop a more strategic and ambitious programme in the future. In 2021-22 £38,518 was applied to Graeae's UK productions. There were no touring productions in 2020-21 but £4,854 was applied to support an online event called Signal Fires. The Board has agreed to allocate £38,518 (2021: £4,854) to this fund at 31 March 2021 to support future work.

Training, education and learning fund

This fund supports important outreach opportunities which may not been fully funded through specific grants. This fund has supported the costs of curtailing the Ensemble diploma course early because of Covid restrictions. The Board has agreed to maintain the fund at £20,000 at 31 March 2022.

Marketing fund

The marketing fund is available to support marketing and publicity costs of future projects. The fund was not utilised during 2021-22. In the previous year £2,904 was applied for producing a number of *Disability and ...* podcasts.

Strategic development fund

The strategic development fund supports investment in succession planning, skills' development, strategic advice and fundraising activities. During the year £4,800 was applied for professional services (2021: £600).

Fixed asset fund

The fixed asset fund is to cover the cost of purchasing and replacing fixed assets where these are not funded by specific grants. During the year £7,596 (2021: £4,536) was utilised in respect of depreciation on assets purchased through the fund. The Board has agree to allocate an additional £14,554 (2021: £8,528) to the fund.

Access fund

The company employs a higher proportion of people with disabilities than most other organisations. This fund is set up to support access costs that are not covered by Access to Work or by specific grants. £9,256 (2021: £19,368) has been utilised during the year. The Board has agree to restore the fund to £25,000 at 31 March 2022.

Sinking fund

The sinking fund has been set up to cover equipment maintenance, general wear and tear of the building and unplanned maintenance. During the year £8,570 (2021: £5,975) has been released in respect of major repairs and maintenance. The Board has agreed to allocate £8,570 (2021: £45,975) to the fund keeping the total at £100,000.

Leasehold property operational fund

The leasehold property operational fund was originally set up to provide for the anticipated quinquennial rent reviews under the lease and increases in costs of the building generally. £16,000 (2021: £16,000) was utilised during the year to offset the rent increase applied from July 2018. In view of the considerable uncertainty about the level of future rents no further allocation has been made to the fund this year (2021: £nil).

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

	Restricted	Unrestricted	Unrestricted	2022
	General	General	Designated	Total
	£	£	£	£
Fixed assets	1,403,751	1,300	21,179	1,426,230
Current assets	390,798	909,737	384,269	1,684,804
Current liabilities	(89,482)	(113,209)	-	(202,691)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2022	1,705,067	797,828	405,448	2,908,343

	Restricted	Unrestricted	Unrestricted	2021
	General	General	Designated	Total
	£	£	£	£
Fixed assets	1,484,164	1,300	16,478	1,501,942
Current assets	517,291	754,276	370,973	1,642,540
Current liabilities	(16,613)	(126,472)	-	(143,085)
At 31 March 2021	1,984,842	629,104	387,451	3,001,397

The company had no capital commitments at 31 March 2022 or at 31 March 2021.

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

18 OPERATING LEASE COMMITMENTS

At 31 March 2022 the charity was committed to making the following payments under non-cancellable operating leases:

	2022	2021
	£	£
Land and buildings - operating leases payments due		
In under one year	137,700	137,700
Later than one year and not later than two years	137,700	121,475
Later than two years and not later than five years	361,475	360,000
Later than five years	1,355,507	1,475,507
	1,992,382	2,094,682
Plant and machinery - operating leases payments due		
In under one year	2,198	2,198
Later than one year and not later than two years	2,198	170
Later than two years and not later than five years	1,099	-
	5,495	2,368

The lease agreement for the premises at Bradbury Studios is subject to a quinquennial rent review. (see also note 19). The next review is due at 18 July 2023.

The company has entered into a five year lease on a store in Erith which expires on 28 April 2024.

19 LEGAL CHARGE

On 24 November 2008, the company signed a lease relating to premises at Bradbury Studios, 138 Kingsland Road, London, E2 8DY for a term of 30 years expiring 17 July 2038.

The lease premium paid was £1,000,000 plus VAT of £175,000.

Arts Council England (ACE) provided a grant to cover the cost of the premium and other costs relating to the premises. It was a condition of the grant that ACE have a fixed and floating security over the assets of the company. The charge is also dated 24 November 2008.

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

20 RELATED PARTY TRANSACTIONS

Trustee expenses

No expenses were reimbursed to the trustees during the year (2021: £nil).

During 2021-22:

A relative of the Artistic Director undertook work for the charity on normal business terms:

- video editing on a project for a total fee of £3000.
- supporting R&D on a project for expenses only of £170.

During 2020-21:

A relative of the Artistic Director undertook work for the charity on normal business terms:

- as office duty manager for three days during Covid travel restrictions in June 2020 for a fee of £348.
- video editing on three separate filmed activities for a total fee of £1500.

The partner of the Executive Director (now Joint Chief Executive Officer) prepared and recorded an audio description for a filmed documentary on normal business terms for a fee of £464.

Notes to the Financial Statements
For the Year Ended 31 March 2022 (continued)

21 OTHER GRANTS RECEIVED

	Restricted £	Unrestricted £	2022 Total £	Restricted £	Unrestricted £	2021 Total £
Note 2 - income from donations						
Arts Council England Cultural Recovery Fund	131,862	-	131,862	-	-	-
Arts Council England project grant	102,408	-	102,408	-	-	-
Arts Council England Transforming Leadership	60,000	-	60,000	110,000	-	110,000
Andrew Lloyd Webber Foundation	-	-	-	10,000	-	10,000
Backstage Trust	-	-	-	20,000	-	20,000
Bailey Thomas Charitable Fund	-	-	-	(3,000)	-	(3,000)
City Bridge Trust	50,706	-	50,706	37,440	-	37,440
Creative Land Trust	-	-	-	7,450	-	7,450
Esmée Fairbairn Foundation	-	140,400	140,400	55,000	150,000	205,000
Fidelity UK Foundation	20,000	-	20,000	-	-	-
Garfield Weston Foundation	-	-	-	198,107	-	198,107
Postcode Community Trust	-	-	-	18,920	-	18,920
The Curve Theatre	5,000	-	5,000	-	-	-
The Daiwa Foundation	(2,500)	-	(2,500)	-	-	-
The D'Oyly Carte Charitable Trust	4,000	-	4,000	-	-	-
The Stables	-	-	-	20,000	-	20,000
UNESCO Club Vienna	8,411	-	8,411	-	-	-
Vision Foundation	5,625	-	5,625	-	-	-
	385,512	140,400	525,912	473,917	150,000	623,917

Note 3 - income from charitable activities

Acumen Fellowship	-	-	-	-	11,007	11,007
Arts Council England	3,000	-	3,000	71,000	-	71,000
National Lottery Community Fund	-	-	-	42,272	-	42,272
Paul Hamlyn Foundation	-	-	-	20,000	-	20,000
Ramps on the Moon	-	-	-	10,000	-	10,000
The Curve Theatre	-	-	-	3,000	-	3,000
	3,000	-	3,000	146,272	11,007	157,279

22 POST BALANCE SHEET EVENTS

In July 2022 Graeae received a discretionary business rates rebate of £20,922.94 relating to 2018-19 and 2019-20. Graeae had been discussing this with London Borough of Hackney over a long period. The Trustees consider that this income should be recognised in 2022-23.

Also in July 2022 Graeae received notification of a legacy from an individual who died on 22 March 2022. The amount is not yet determined and therefore the Trustees consider that this income should be recognised in 2022-23.

THE GRAEAE THEATRE COMPANY LIMITED

England & Wales - Charity number 284589

Accounts

GRAEAE THEATRE COMPANY LIMITED (THE)

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2021

COMPANY REGISTRATION NUMBER: 01619794

CHARITY REGISTRATION NUMBER: 284589

GRAEae
T H E A T R E C O M P A N Y

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

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The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021

The Trustees present their report and the financial statements for the year ended 31 March 2021.

The report has been prepared in accordance with the Charities Act 2011 and is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 20-22 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

For the purpose of determining disclosure requirements the charity is classified as:

- a larger charity (having income over £500,000)
- a small company (fewer than 50 employees, turnover less than £6.5million).

Reference and administrative details

<u>Charity number</u>	284589
<u>Company number</u>	01619794
<u>Registered office</u>	Bradbury Studios, 138 Kingsland Road, London E2 8DY
<u>Directors and Trustees</u>	

The directors of the charity are its Trustees for the purpose of charity law. The Trustees who served during the year and since the year-end are as follows:

Sarah Howard	Re-appointed as Chair 18 January 2021 Resigned 24 September 2021
Sharon Marshall	Re-appointed 18 January 2021
Tim Powell	Re-appointed 2 December 2019
Samantha Tatlow	Re-appointed 2 December 2019 Appointed as Chair 11 October 2021
Shreela Ghosh	Appointed 2 March 2020 Resigned 23 October 2021
Jessi Parrott	Appointed 2 March 2020
Caroline Loving	Appointed 4 May 2021
Lisa Oguntinyinbo	Appointed 4 May 2021

Throughout this report the word "Trustees" refers to the individuals and the word "Board" refers to the Trustees acting as a body.

<u>Secretary</u>	Charles Mills
<u>Chief Executive Officer and Artistic Director</u> (to 25 November 2021)	Jenny Sealey, MBE
<u>Joint Chief Executive Officer and Artistic Director</u> (from 26 November 2021)	Jenny Sealey, MBE
<u>Joint Chief Executive Officer</u> (from 26 November 2021)	Kevin Walsh
<u>Auditor</u>	Buzzacott LLP, 130 Wood Street, London EC2V 6DL
<u>Bankers</u>	CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021

Covid-19

On 17 March 2020 Graeae suspended workshops, postponed productions, and closed Bradbury Studios to visitors and to most staff. The building remained closed for the entirety of 2020-21 except for essential administration, maintenance and repairs.

The company adapted to the change in circumstances in three ways:

It has created a flexible working environment to allow staff members to adapt their hours to their circumstances, to work collaboratively on projects and retrain in areas of greatest need, and invest in technology to enable staff to work effectively from home.

It has created a dynamic, innovative programme of work to be shared through digital mediums including new writing, continuing professional development programmes and wellbeing sessions.

It has consulted its stakeholders, specifically the freelance workforce, about their greatest needs at this time and strived to meet them. It has done this through small grants for technical and accessible equipment, by booking and paying for access support to enable artists to remain part of wider networks, and by supporting projects to get the resources they need to thrive.

This level of activity did not justify retaining all of Graeae's employees throughout the period therefore, to avoid needing to consider redundancies, all eligible employees have been furloughed at some time for part of the period 17 March 2020 to 30 September 2021 when the Coronavirus Job Retention Scheme ended.

Covid-19 will remain an issue for Graeae because many of the individuals with whom it works have underlying health conditions.

During this challenging period the Board wishes to acknowledge that it was supported by:

- The Mayor of London's Culture at Risk Business Support Fund and the Creative Land Trust
- The Esmée Fairbairn Foundation
- City Bridge Trust
- Arts Council England
- Paul Hamlyn Foundation
- The Coronavirus Job Retention Scheme
- Cultural Recovery Fund through Arts Council England*
- Garfield Weston Foundation
- National Lottery Community Fund

* The charity received an offer letter dated 29 March 2021 granting £131,862 from the Culture Recovery Fund. The first instalment of the grant was received on 28 April 2021.

Structure, governance and management

Governing document

The charity is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 10 December 1981 and updated in December 2011. There are currently six members, each of whom agrees to contribute £1 in the event of the charity being wound up.

Appointment of Trustees

As set out in the Articles of Association, the Board may at any time appoint any member of the company as a member of the Board, subject to a maximum of twelve members. Any member so appointed retains his/her office until the next Annual General Meeting and is then eligible for re-election. At each Annual General Meeting one-third of the members who have been longest in office retire. All retiring members are eligible for re-election subject to the limits to terms of office set out in the Articles of Association. The charity aims for a Board where 50% or more of the Trustees identify as Deaf, disabled and neurodivergent.

Regular skills' audits are carried out and, when considering appointing new Trustees, the Board has regard to the requirement for any additional specialist skills needed.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021

Structure, governance and management (continued)

Trustee induction and training

New Trustees are provided with an information pack to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the business plan and the recent financial performance of the charity. Trustees are encouraged to attend training courses about the responsibilities of being a trustee at a venue and time convenient to them. Trustees are also encouraged to visit the charity's office to meet employees and other Trustees outside the formal meetings. Trustees' Away Days are held from time to time so that the company's key aims and objectives can be discussed and reviewed. Trustees are also encouraged to attend productions and appropriate in-house training events.

Organisation

The Board meets, at least quarterly, to manage the affairs of the company. Four Trustees must be present for the meeting to be quorate. During periods of national lockdown, meetings have been held via Zoom conferencing software and meetings have been shorter and every two months to aid accessibility.

There is also a Finance and General Purposes sub-committee which meets up to four times a year. The purpose of the committee is to provide a greater level of scrutiny of, and support to, company officers with a responsibility for financial management.

The Board has previously adopted the NCVO Good Governance: A code for the Voluntary and Community Sector. A newer Charity Governance Code, published on 13 July 2017, has been adopted by the Board. The Board has not yet formally adopted the update to the Code, which was published on 7 December 2020

The Chief Executive Officer is appointed by the Board to manage the day to day operations of the charity.

To facilitate effective operations, the CEO delegates authority, within terms of delegation approved by the Board, for operational matters including finance, employment, fundraising, and the artistic, training and educational output of the charity.

The key management personnel for the period covered by this report are:

- the Trustees, who are not paid, and
- the CEO, Executive Director and Finance Director, whose remuneration is set by the Board, with reference to market rates for the theatre and charity sectors.

On 26 November 2021 the Board agreed to promote the Executive Director to Joint Chief Executive Officer. This change is to support the strategic development and succession planning of the charity.

Other charities and related parties

The charity does not have any subsidiary undertakings. The charity collaborates from time to time with other organisations, particularly in the theatre sector, that may also be charities but does not have any formal long term arrangement with any other charity except in relation to grants received for specific activities.

Public benefit

The objects of the charity, as set out in the Articles of Association, are to promote, maintain, improve and advance education, particularly by the production of educational plays and the encouragement of the Arts including the arts of drama, opera, operetta, dance, ballet, music, singing, literature, poetry, sculpture, painting, mime and puppetry.

The charity's particular purpose as a touring theatre company is to develop and promote disabled-led accessible theatre for a wide-ranging audience. The charity's main activities undertaken to further its purpose are theatrical productions and training, education and learning activities.

The Board has given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under section 17 of the Charities Act 2011 when reviewing the charity's aims and objectives and in planning future activities. The Board considers that all of the charity's objectives deliver benefit to the public, as explained below.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021

Objectives and activities

Graeae is a world leader in developing and promoting disabled-led theatre for a wide-ranging Deaf, disabled, neurodivergent and non-disabled audience using creative and accessible processes.

Graeae's vision is to create world-class accessible theatre, which breaks down barriers, challenges preconceptions and places Deaf, disabled and neurodivergent artists centre stage.

Graeae's mission is to ignite artistic curiosity, pioneer a radical dramatic language, champion accessibility and provide a platform and opportunities for new generations of artists, locally, nationally and internationally, through the creation of trail-blazing theatre.

Graeae is a disabled-led company, founded on the need to tackle social injustice, discrimination and exclusion. It is fuelled by the pursuit of inclusion and artistic excellence and champions Deaf, disabled and neurodivergent people in the arts.

The company's strategic aims are to:

- **Create world-class theatre:** produce and tour high quality, high impact theatre that is unmistakably Graeae's, providing a platform for the skill, vision and excellence of Deaf, disabled and neurodivergent artists.
- **Find new audiences:** for Graeae and for the wider industry. Ensure the work has a lasting impact across England, unleashing creativity in regions and communities, working with groups that have little access to art and culture and on a variety of platforms.
- **Champion accessibility:** through partnerships with the wider theatre sector on national and international platforms creating, operating, supporting and advising on accessible environments and practice.
- **Nurture talent:** work with national partners to open up the arts for Deaf, disabled and neurodivergent artists at all experience levels. Create new environments for theatre-makers to thrive and build independence.
- Promote **excellent governance** and leadership across the company, the theatre sector and other businesses.
- **Explore new creative horizons:** by developing the methods we use to tell our stories and representing a greater diversity of voices on stage. This will be achieved through true partnership working and exchange of ideas.

In promoting and producing world-class theatre, led by Deaf, disabled and neurodivergent directors, writers and performers, Graeae seeks to dismantle barriers to employment in the arts. Despite legislative progress and slowly shifting attitudes, there remains a lack of recognition of the talents of Deaf, disabled and neurodivergent people.

Our programme of work seeks to address this through our productions which showcase the skills of Deaf, disabled and neurodivergent performers. Our productions, through their creative use of sign language, audio description, captioning and relaxed environments also open up theatre to Deaf, disabled and neurodiverse audiences, ensuring that all members of the public benefit from access to the arts. Where possible, we ensure that ticket prices for disabled audience members are subsidised and we only tour shows to venues across the UK which have a high standard of access for disabled people.

Enabling equal participation in the arts to ensure that the art we create reflects the full diversity of our society is a long-term objective. Our professional development training programmes provide accessible and inclusive opportunities for aspiring actors, directors and writers with physical and sensory impairments to learn the skills they need in order to take their place on UK stages alongside their non-disabled counterparts. Our training programmes are significantly subsidised, in recognition of the economic barriers often faced by Deaf, disabled and neurodivergent artists, and are open to those artists throughout the UK.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021

Objectives and activities (continued)

Our outreach programme actively engages a new generation of Deaf, disabled, neurodiverse and non-disabled artists in performance through theatre and education projects specifically aimed at young people. By leading workshops, and through their participation in productions, our disabled artists and workshop leaders act as important role models for young participants, raising aspirations and proving that a career in the arts is possible for all. We believe that through investment in training and education, we can effect change within the industry both for individuals and organisations alike, from young people through to professionals, to ensure that there are equal opportunities for all people to benefit from the arts.

The company continues to advocate equality for all Deaf, disabled and neurodivergent artists and their right to participate in all aspects of society. Despite the impact of the Equality Act, in reality, access is still very uneven in the arts. Most spaces provide only limited levels of accessibility, can cope with only a small number of disabled artists and technicians at any one time, and are capable of dealing with only a limited range of impairments.

Graeae continues to champion access in a number of ways: through promoting accessible environments using the Bradbury Studios as a model of best practice in inclusive design; through the delivery of theatre which reaches out to Deaf, visually impaired, disabled and neurodiverse audiences as well as non-disabled audiences; through our accessible and inclusive training and outreach programmes; through our promotion of accessible marketing and teaching materials, and through our advocacy work with other organisations.

Our work represents a critical step in the development of disability arts because it means that Graeae and its beneficiaries will no longer be operating at an automatic disadvantage compared to non-disabled artists and arts organisations.

Graeae's strategic planning is underpinned by sound governance and continual monitoring of our work, measuring quantitatively achievements against targets as well as qualitatively through feedback from audiences and beneficiaries on their experience of Graeae's work.

These were our major activities during the year:

- Streamed two full length productions: *Reasons to be Cheerful* and *The House of Bernarda Alba* to a combined audience of over 25,000
- Crips Without Constraints: 16 new short plays by Graeae Write to Play alumni released online alongside a BSL podcast and image from the archives
- Signal Fires: a live digital event of music, poetry and theatre
- Beyond: launch of a major artist support programme, connecting artists with venues nationwide
- Beyond Develop: 24 continuing professional development and wellbeing workshops for freelancers
- Bartholomew Abominations: Graeae and Naked Productions new radio play for BBC Radio 4.

Achievements and performance

Productions and artistic activities

All live in-person performances for the year were cancelled or postponed due to the Coronavirus pandemic. Tours had been planned for *Kerbs* by Mike Southan, *10 Nights* by Shahid Iqbal Khan and a showcase of *Paradis Files* by Errollyn Wallen and Nicola Werenowska. All are now taking place in 2021-22 and 2022-23. However, online streaming platforms opened up a new audience for Graeae shows, some who had never been able to visit in person.

Reasons to be Cheerful – One of Graeae's best-selling live shows in recent years was filmed for The Space digital platform in 2017 and translated well to the home environment. 20,000 people watched the show online when it was released in summer 2020.

The House of Bernarda Alba – Royal Exchange Theatre, Manchester released a recording of the 2018 co-production with Graeae. The recording was viewed over 5,000 times and was also streamed in Mexico as part of a British Council festival of new adaptations.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021

Achievements and performance (continued)

Productions and artistic activities (continued)

Crips Without Constraints – 16 writers, many of whom had graduated from the Write to Play training programme, each created a new short play, which was filmed, edited and shared during lockdown. Some plays directly referenced the pandemic and others explored life as a disabled person in the 21st century. The plays were released once a week, accompanied by a BSL podcast and a photo from our archives.

Training, education and learning

Continuing Professional Development and Emerging Artists

Write to Play is a programme which provides mentoring, advanced workshops, script development and play readings for Deaf, disabled and neurodivergent writers in collaboration with London and regional theatres. The programme is aimed at transforming the industry and providing emerging writers with the support and skills they need to have a thriving career in the arts.

During the first seven years the programme has worked with 30 writers and 22 partner organisations (Belgrade Theatre Coventry, Birmingham Rep, Bolton Octagon, Bristol Old Vic, Exeter Northcott Theatre, Hull Truck, Leeds Playhouse, Leicester Curve, Live Newcastle, Liverpool Everyman, Manchester Royal Exchange, Nuffield Southampton Theatres, Ovalhouse, Soho Theatre, Talawa, Tamasha, The Bush, The National Theatre Studio, The Royal Court, Theatre Royal Bath, Theatre Royal Plymouth, Wiltshire Creative).

Graeae, with continuing support from The Esmée Fairbairn Foundation, is now working on the next stage of the programme, which will engage again with the same group of writers to help them develop their careers further.

Outreach programme

Graeae has continued its commitment to engaging young people in the arts and supporting the development of the next generation of Deaf, disabled and neurodivergent artists. Over the years this has included a range of workshops and performances as well as individual mentoring through placements and internships which provide opportunities such as stage management, directing, creative learning, producing, composing, design, evaluation and photography.

The Beyond programme, which started in April 2020, has reached 48 artists from early to mid-stage career with CPD, mentoring and networking delivered through Zoom. The Young Company have had Zoom Saturdays to keep their minds creatively active and have explored a range of writing, devising and filming projects. It has been crucial to support their emotional complexities through the pandemic and to enable them to learn to support each other.

Ensemble 2020 are a talented group of Deaf, disabled and neurodivergent young artists who had faced barriers to mainstream drama training. Through a Level 4 Cert HE Graeae Ensemble: Theatre Making and Leadership accredited by Rose Bruford College they were being trained by some of the best in the business until the programme was curtailed in March 2020 by Covid-19. Graeae continued to work with the group using remote technology through to the end of July 2020, although the formal accreditation had to be set aside for now.

Raising funds

The majority of the charity's income is provided by grants from Arts Council England and from trusts and foundations. To secure these grants the charity has to prepare detailed applications and subsequently, if successful, to provide reports to the funders on the outcome of the relevant activities. The Board considers that the time invested in fundraising activities is vital to maintaining good relationships with funders so as to increase the possibility of securing longer term and repeat funding. The full list of grant income received for the year is given in note 21 to the financial statements.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021

Achievements and performance (continued)

Raising funds (continued)

In April 2019, the Board approved a new three-year strategic plan which enabled the organisation to grow while maintaining a sound financial underpinning. A number of multi-year grants were secured in pursuit of this plan, the largest of which was a grant from ACE's Transforming Leadership fund to support activity between 2019-2022. The strategy included approaching multiple funders for multiple projects and including a contribution to overheads in each application. The success of the plan has allowed Graeae to continue to operate from within its home at Bradbury Studios while launching major initiatives such as accredited training programmes, digital resource libraries and a sector support package. Covid-19 has affected many of the planned projects and Graeae has therefore had to adapt or revise planned activity and the timescales for delivery. Partners and funders have been consulted throughout about the changes.

Corporate training is not yet a reliable and sustainable source of income.

Graeae aims to achieve best practice in the way in which it communicates with funders, donors and other supporters. The majority of funding comes from organisational funders (rather than individuals), and we set high standards in the way that we present our work. Every application and communication is assessed against standards of representation, empowerment and ownership and we only approach funders with a demonstrable commitment to diversity and inclusivity.

In communicating with individual supporters, we take care with the tone and frequency of communications and the accuracy of data to minimise the pressure on supporters. Graeae is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. Graeae applies best practice to protect supporters' data and has updated its Data Management Policy and Privacy Policy in line with GDPR.

Graeae undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2019-20 and 2020-21, the Charity received no complaints about its fundraising activities.

Plans for future periods

Productions and other artistic activities

Ten Nights by Shahid Iqbal Khan, co-produced with Tamasha and Bush Theatre, will open in October 2021.

Kerbs by Mike Southan, co-produced with Belgrade Theatre will tour in February/March 2022.

The Paradis Files, a new opera, is being developed with Milton Keynes International Festival and Leicester Curve.

Training, education and learning

Our investment in training and developing Deaf, disabled and neurodivergent artists continues with:

- Write to Play – The Esmée Fairbairn Foundation has awarded grants which will allow this programme to continue at least to September 2022.
- Youth Programme – a multi strand programme to develop the next generation of Deaf, disabled and neurodivergent creative artists.
- Ensemble – Coronavirus has continued to affect the viability of the planned accredited course leading to a formal qualification. The Graeae team has therefore designed an alternative offering for early career artists during 2021-22.

Wider strategy for the future

Following a period of consultation Graeae is following a Strategic Plan of investing in projects that increase our national reach, tell a greater range of stories on stage and consolidate our offer for young people and early career artists. Funding from the Charity's existing sources has not risen in line with inflation, causing Graeae to bear the burden of rental increases linked to local market rates. The extended disruption from coronavirus has shown both advantages and disadvantages of remote working: the Board is continuing to assess the implications for the charity's future.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021

Financial review

Income

Total income for the year amounted to £1,620,132 (2020: £1,305,562) of which £1,393,218 (2020: £1,005,526) related to grants and donations receivable without which Graeae could not generate the range of productions and training, education and learning activity that it undertakes. Some funding was provided specifically to support Graeae and its wider community during Covid-19 restrictions. A list of those funders is on page 3.

The charity's principal funding source during the year was Arts Council England which provided core revenue funding of £574,784 (2020: £564,399). This small increase in core funding is most welcome as before 2020-21 the core funding from Arts Council England had not increased since 2014-15.

The charity received funds of £71,312 (2020: £51,798) from the "Access to Work" scheme run by the Department of Work and Pensions. This scheme enables the charity to reclaim some of the additional costs incurred in setting up and providing specific work-related access support. Since April 2018 the government has placed an annual cap on the specific support provided by Access to Work for the artistic director. This cap does not always cover the actual requirements of the job which varies depending on activity. The cost of support in 2020-21 exceeded the annual cap by £24,994 (2020: £nil) which has principally fallen on the charity's reserves.

Income from charitable activities includes box office, venue fee and royalties of £30,000 (2020: £148,695) and fees from training and workshops of £25,087 (2020: £41,871). The charity also received income of £17,138 (2020: £56,375) from trading activities (including the hire of office and rehearsal space, hire of vans and technical equipment and sales of books) which have been significantly reduced because of coronavirus.

Expenditure

Total expenditure has decreased from £1,302,109 for the year ended 31 March 2020 to £1,099,423 in 2020-21.

Expenditure in 2020-21 included:

- *Beyond and Beyond Develop*, direct costs of £116,083 (excludes support costs).
- *New Writing* direct costs of £86,513 (excludes support costs).
- *Ensemble* direct costs of £26,088 (excludes support costs).

Expenditure in 2019-20 included:

- *One Under* production, direct costs of £169,917 (excludes support costs)
- *The Iron Man* productions, direct costs of £66,169 (excludes support costs)
- *New Writing* direct costs of £104,640 (excludes support costs)
- *Ensemble* direct costs of £41,432 (excludes support costs).

Deferred production costs

The coronavirus restrictions have delayed the opening of productions and, in accordance with accounting policy 1(f)(3) on page 21, this has resulted in an increase in deferred production costs. At 31 March 2021 deferred production costs were £94,822 (2020: £47,408).

Risk management

The Board periodically reviews the major external risks to which the charity is exposed and has established systems to mitigate those risks, as far as is reasonably possible. Internal risks are mitigated via robust policies and procedures covering all areas of management, human resources, financial probity, health and safety, environmental issues and diversity targets.

After mitigation there remains a level of residual financial risk which the Board manages by detailed monitoring of cash flow and fundraising targets alongside a reserves policy informed by the residual risks as discussed below.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021

Risk management (continued)

Principal risks and uncertainties

The Board is particularly concerned with risks that have the potential to cause the charity to cease operations, and have set in place policies to mitigate those risks. These include:

Lack of strategy and forward planning leading to financial management difficulties. The charity's management prepare three-year Business Plans, regularly updated, and annual budgets, reviewed quarterly against actual income and expenditure. Longer term planning (five to ten years) is challenging because the premises from which Graeae operates are subject to a five yearly rent review, which can have a material effect on overheads.

Health and safety and environmental issues An experienced Executive Director monitors the charity's activities, in Bradbury Studios and elsewhere, and ensures that appropriate policies are in place to provide a safe working environment and to meet other legal requirements. In particular, this involves developing appropriate responses to Covid-19.

Failure of an income source The charity does not commit to major projects until funds are confirmed and / or sufficient reserves are earmarked. The Board considers that the charity remains a going concern for at least the next twelve months on the assumption that Arts Council England continues to pay the current grant awarded to Graeae as a National Portfolio Organisation.

Reserves policy

At 31 March 2021 restricted funds amounted to £1,984,842 (2020: £1,758,676) and unrestricted funds were £1,016,555 (2020: £722,012).

Designated funds

Some unrestricted funds have been designated by the Board to address specific areas of financial risk.

- Financial management difficulties

Annual and three year budgets are prepared by the charity and there are detailed budgets for individual productions and training projects. However, theatrical projects retain a significant level of risk around audiences, personnel, timing, and funding. In order that the charity can maintain an ambitious programme and support important outreach opportunities the Board has designated two reserves to assist with funding shortfalls: Artistic fund £40,000 (2020: £40,000); Training, education and learning fund £20,000 (2020: £20,000).

During 2020-21 the Esmée Fairbairn Foundation agreed to give continuing support for Graeae's new writing programme. Recognising the challenges of Covid-19 restrictions, Esmée Fairbairn Foundation has generously made this support unrestricted. The Board intends that, as far as possible, Graeae should use these funds as originally intended, hence this new designated fund.

The charity occupies leased premises that are subject to an upward rent review every five years. The Board has designated a reserve to partially offset the effect of these increases: Leasehold property operational fund £32,000 (2020: £48,000). The charity is reducing this designated fund to zero over the next three years.

The Board is aware of the importance of investment in succession planning, skills' development, marketing and fundraising activities and has designated two funds to support this investment: Marketing fund £15,096 (2020: £18,000); Strategic development fund £30,000 (2020: £12,992).

Fixed asset purchases impact operational budgets over more than one year. The Board designates funds to cover the cost of purchasing and replacing fixed assets where these are not funded by specific grants: Fixed asset fund £16,478 (2020: £12,486). The relevant depreciation is offset against the fund each year.

The Graeae Theatre Company Limited
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Report of the Trustees for the year ended 31 March 2021

Reserves policy (continued)

Designated funds (continued)

- Building liability

The charity has a responsibility for the health and safety of people working in and visiting Bradbury Studios. In order to maintain a safe and pleasant working environment the Board has designated a fund for periodic equipment and building maintenance and for unplanned major repairs: Sinking fund £100,000 (2020: £60,000).

- Loss of income source

The charity obtains financial support from the government's Access to Work Scheme but the Board is aware that future support from this scheme is expected to become more limited. The Board has designated a fund to cover unexpected salary costs and other costs relating specifically to staff requiring access support: Access fund £25,000 (2020: £25,000).

Further details about the designated funds can be found in note 15 to the financial statements.

The Board is also aware that failure to comply with regulatory requirements could have potential for significant financial impact on the charity (fines) or closure but considers that it is inappropriate to make specific financial provision for such matters.

General funds

After designating funds to address particular risks the Board aims to hold unrestricted general funds in the region of six months' operating costs. Unrestricted general funds at 31 March 2021 amounted to £629,404 (2020: £485,534). The average monthly operating cost during the year (which excludes the direct costs of productions and training) was £50,209 (2020: £61,138). The balance of undesignated general funds at 31 March 2021 represents 12.5 months of operating costs (2020: 7.9 months). In the current economic climate, while work continues on developing the long term strategy for the charity in the light of Covid-19, the Board is comfortable with holding this level of general funds.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

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

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

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

This report was approved by the Board on 6 December and signed on its behalf by:



Samantha Tatlow
Chair

6 December 2021

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Independent auditor's report to the members of The Graeae Theatre Company Limited

Opinion

We have audited the financial statements of The Graeae Theatre Company Limited (the 'charitable company') for the year ended 31 March 2021 which the statement of financial activities, the balance sheet and the statement of cash flows, and the notes to the financial statements including the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company and 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.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Independent auditor's report to the members of The Graeae Theatre Company Limited

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the charitable company financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Independent auditor's report to the members of The Graeae Theatre Company Limited

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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 and reviewed journal entries to identify unusual transactions;
- Tested authorisation of expenditure;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated 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:

- Ensuring that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Identifying the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- Ensuring that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- Focussing on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to relevant financial reporting standards, the Charities Act 2011 and the Companies Act 2006;
- Agreeing financial statements disclosures to underlying supporting documentation;
- Reading the minutes of trustee meetings; and
- Enquiring of as to actual and potential litigation and claims.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Independent auditor's report to the members of The Graeae Theatre Company Limited

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

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

A further description of our responsibilities 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 auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date: 16 December 2021

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Financial Activities (incorporating an income and expenditure account)
For the Year Ended 31 March 2021

	Notes	Restricted Funds	Unrestricted Funds General	Designated	Total Funds 2021
		£	£	£	£
Income from:					
Donations	2	473,917	762,022	-	1,235,939
Charitable activities	3	217,584	96,528	-	314,112
Other trading activities	4	-	17,138	-	17,138
Investments	5	-	477	-	477
Other income	6	-	52,466	-	52,466
Total		<u>691,501</u>	<u>928,631</u>	<u>-</u>	<u>1,620,132</u>
Expenditure on:					
Raising funds	7	12,602	163,649	-	176,251
Charitable activities	8	329,841	593,331	-	923,172
Total		<u>342,443</u>	<u>756,980</u>	<u>-</u>	<u>1,099,423</u>
Net income	11	349,058	171,651	-	520,709
Transfers between funds	15	(122,892)	(28,081)	150,973	-
Net movement in funds		<u>226,166</u>	<u>143,570</u>	<u>150,973</u>	<u>520,709</u>
Reconciliation of funds:					
Total funds brought forward	15	<u>1,758,676</u>	<u>485,534</u>	<u>236,478</u>	<u>2,480,688</u>
Total funds carried forward	15	<u>1,984,842</u>	<u>629,104</u>	<u>387,451</u>	<u>3,001,397</u>

The Statement of Financial Activities includes all gains and losses recognised in the above financial year.

All income and expenditure derive from continuing activities during the above financial year.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Financial Activities (incorporating an income and expenditure account)
For the Year Ended 31 March 2020

	Notes	Restricted Funds	Unrestricted Funds General	Designated	Total Funds 2020
		£	£	£	£
Income from:					
Donations	2	306,870	576,392	-	883,262
Charitable activities	3	174,062	190,566	-	364,628
Other trading activities	4	-	56,375	-	56,375
Investments	5	-	1,297	-	1,297
Other income	6	-	-	-	-
Total		<u>480,932</u>	<u>824,630</u>	<u>-</u>	<u>1,305,562</u>
Expenditure on:					
Raising funds	7	4,836	149,617	-	154,453
Charitable activities	8	323,864	823,792	-	1,147,656
Total		<u>328,700</u>	<u>973,409</u>	<u>-</u>	<u>1,302,109</u>
Net income (expenditure)	11	152,232	(148,779)	-	3,453
Transfers between funds	15	(83,832)	97,012	(13,180)	-
Net movement in funds		<u>68,400</u>	<u>(51,767)</u>	<u>(13,180)</u>	<u>3,453</u>
Reconciliation of funds:					
Total funds brought forward	15	1,690,276	537,301	249,658	2,477,235
Total funds carried forward	15	<u>1,758,676</u>	<u>485,534</u>	<u>236,478</u>	<u>2,480,688</u>

The Statement of Financial Activities includes all gains and losses recognised in the above financial year.

All income and expenditure derive from continuing activities during the above financial year.

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Balance Sheet at 31 March 2021

	Notes	2021	2020
		£	£
Fixed assets:			
Tangible assets		1,500,642	1,581,385
Heritage assets		1,300	1,300
<i>Total fixed assets</i>	12	1,501,942	1,582,685
Current assets:			
Debtors	13	195,589	124,944
Cash at bank and in hand		1,446,951	896,521
<i>Total current assets</i>		1,642,540	1,021,465
Liabilities:			
Creditors: amounts falling due within one year	14	143,085	123,462
<i>Net current assets</i>		1,499,455	898,003
<i>Total net assets</i>		3,001,397	2,480,688
The funds of the charity:			
Restricted Funds	15	1,984,842	1,758,676
Unrestricted Funds			
Designated	15	387,451	236,478
General	15	629,104	485,534
<i>Total charity funds</i>		3,001,397	2,480,688

Approved by the Board on 6 December 2021 and signed on its behalf by



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Samantha Tatlow
Chair

Company no. 01619794

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 March 2021

	Notes	2021	2020
		£	£
Cash flows from operating activities:			
<i>Net cash generated by operating activities</i>	A	<u>557,506</u>	<u>128,064</u>
Cash flows from investing activities			
Interest received		477	1,297
Purchase of tangible fixed assets		<u>(7,553)</u>	<u>(11,170)</u>
<i>Net cash used in investing activities</i>		<u>(7,076)</u>	<u>(9,873)</u>
<i>Change in cash and cash equivalents in the year</i>		550,430	118,191
Cash and cash equivalents at 1 April 2020		<u>896,521</u>	<u>778,330</u>
<i>Cash and cash equivalents at 31 March 2021</i>		<u>1,446,951</u>	<u>896,521</u>
A Reconciliation of net income to net cash flow from operating activities			
<i>Net income for the reporting period</i>		520,709	3,453
Adjustments for:			
Depreciation charges		88,296	88,207
Interest received		(477)	(1,297)
Increase in debtors		(70,645)	(7,012)
Increase in creditors		<u>19,623</u>	<u>44,713</u>
<i>Net cash generated by operating activities</i>		<u>557,506</u>	<u>128,064</u>

1 ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared for the year to 31 March 2021 under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

(b) Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- estimating the allocation of support costs between activities;
- estimating the useful economic life of tangible fixed assets;
- estimating the value of donated services and gifts.
- assessing the appropriateness of deferring production costs under policy (f) (3) on page 21.

(c) Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements. The particular issues relating to Covid-19 are considered in note 22.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

(d) Income

(1) Donations and legacies, including grants which are not conditional on delivering certain levels of activity, are recognised when these are receivable unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-conditions have been met and until then are treated as deferred income. Donations and grants for particular purposes are identified as restricted funds.

(2) Income from box office and venue fees is included in income in the period in which the relevant production takes place.

(3) Other income is recognised on a receivable basis when there is legal entitlement to receipt.

(4) Income relating to rentals in a subsequent period is treated as deferred income.

(5) The value of donated services and gifts in kind provided to the charity are recognised as income at their open market value in the period in which they are receivable, where the benefit to the charity can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities or capitalised as appropriate.

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

1 ACCOUNTING POLICIES (continued)

(e) Expenditure

- (1) Expenditure is accounted for on an accruals basis.
- (2) Expenditure on raising funds comprises those costs incurred in attracting donations, grants and trading income, plus a proportion of the underlying support costs of the company.
- (3) Expenditure on charitable activities comprises those costs incurred on productions, other artistic activities, training and outreach programmes, and grants made to organisations and individuals. It includes both costs that can be allocated directly to those activities plus a proportion of the underlying support costs of the company.
- (4) Core staff costs, office administrative expenses and premises costs are allocated to the costs of raising funds and charitable activities on an estimate of time spent by staff supporting these activities.
- (5) Governance costs, which comprise costs directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements, are included within administrative expenses.

(f) Productions

- (1) For productions occurring wholly within one financial year box office and venue fees are recognised in that year and costs are recognised as incurred. Typically costs are incurred in advance of income being generated.
- (2) Where a production spans the year-end and is expected to be loss making, the expected loss is recognised in full in the year in which the loss is foreseen.
- (3) Where production set up costs have been incurred prior to the year-end but the production has not yet opened, the set up costs are carried forward at the balance sheet date as deferred production costs until such time as the production opens.

(g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Assets costing less than £500 are not capitalised. Depreciation is provided on a straight line basis to write off the assets over their anticipated useful economic lives, as follows:

Leasehold property	30 years
Computer equipment	2 years
Office equipment, production equipment, motor vehicles	4 years

Assets under development, being the accumulated costs of designing and building bespoke equipment, are included under tangible fixed assets but are not depreciated until the assets are brought into use. If a decision is made to discontinue development then the accumulated costs are written off in the year that decision is made.

(h) Heritage assets

Heritage assets are works of art which are held and maintained principally for their contribution to knowledge and culture. Heritage assets are not depreciated.

(i) Debtors

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

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

1 ACCOUNTING POLICIES (continued)

(j) Cash at bank and in hand

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

(k) Creditors and provisions

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

(l) Fund structure

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

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds comprise i) monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions, and also ii) the net book value of tangible fixed assets is included in restricted funds where those assets are funded through restricted grants or donations which require the charity to hold those assets on an ongoing basis for a specific purpose.

(m) Operating lease commitments

Rentals payable under operating leases are charged against expenditure as incurred over the lease term.

(n) Pension commitments

The company contributes to a defined contribution pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions paid and payable in the year by the company.

(o) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

(p) Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Listed investments are a basic financial instrument as detailed above. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

(q) Taxation

The company is a registered charity and is therefore not liable for corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

(r) Grant making

Grants to organisations and individuals are accounted for when the payment is made.

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

2 INCOME FROM DONATIONS AND GRANTS

	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Arts Council England (ACE)	-	574,784	574,784	-	564,399	564,399
Other grants received (see note 21)	473,917	150,000	623,917	306,870	4,054	310,924
Donations	-	37,238	37,238	-	7,939	7,939
Total voluntary income	473,917	762,022	1,235,939	306,870	576,392	883,262
Value of donated services and gifts in kind within donations	-	-	-	-	-	-

The funding from Arts Council England and the grants from other funders included under this heading are provided to help the company implement its business plan or to support particular projects but entitlement to the grant is not conditional on fulfilling specific performance-related conditions.

Grants that have specific performance-related conditions are reported as income from charitable activities (note 3).

3 INCOME FROM CHARITABLE ACTIVITIES

	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Box office, venue fees and royalties	-	30,000	30,000	-	148,695	148,695
Fees from training, workshops and other artistic	-	25,087	25,087	-	41,871	41,871
Other grants received (see note 21)	146,272	11,007	157,279	122,264	-	122,264
Theatre Tax Relief	-	30,434	30,434	-	-	-
Access to Work	71,312	-	71,312	51,798	-	51,798
Total income from charitable activities	217,584	96,528	314,112	174,062	190,566	364,628

4 INCOME FROM OTHER TRADING ACTIVITIES

	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Income from hire of space and equipment	-	16,850	16,850	-	55,384	55,384
Sales of merchandise and other income	-	288	288	-	991	991
Total income from other trading activities	-	17,138	17,138	-	56,375	56,375

5 INCOME FROM INVESTMENTS

	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Interest on deposit accounts	-	477	477	-	1,297	1,297

6 OTHER INCOME

	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Coronavirus Job Retention Scheme	-	52,466	52,466	-	-	-

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

7 EXPENDITURE ON RAISING FUNDS

	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Expenditure on raising grants and donations	-	45,638	45,638	-	37,756	37,756
Expenditure on other trading activities	-	19,019	19,019	-	38,391	38,391
Support costs for raising funds	12,602	98,992	111,594	4,836	73,470	78,306
Total expenditure on raising funds	12,602	163,649	176,251	4,836	149,617	154,453

8 EXPENDITURE ON CHARITABLE ACTIVITIES

	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Productions and other artistic	62,906	16,587	79,493	142,360	127,320	269,680
Support costs for productions and other artistic	15,752	123,739	139,491	30,464	462,863	493,327
Training, education and learning (TEL)	200,775	57,041	257,816	137,985	35,237	173,222
Support costs for TEL	50,408	395,964	446,372	13,055	198,372	211,427
Total expenditure on charitable activities	329,841	593,331	923,172	323,864	823,792	1,147,656

In 2020-21 the company was awarded grants by Arts Council England and by Paul Hamlyn Foundation to be used for supporting Deaf, disabled and neuro-divergent artists during the Covid-19 restrictions. Part of this money was distributed as:

- Grants to individuals towards the purchase of IT and audio equipment.
- Grants to organisations to provide access support including BSL interpreters, palantypists and note takers.

The value of grants made included in total expenditure on charitable activities is £45,715 (2020: nil).

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

10 ANALYSIS OF STAFF COSTS (continued)

There were no employees during the year with emoluments (excluding pension contributions) above £60,000 (2020: none).

The key management personnel are the trustees, the Chief Executive Officer, the Executive Director, and the Finance Director. The trustees were not paid during the year or the prior year. The salary and pensions paid for the other key management personnel in respect of their services to the charity are shown below.

	Salary	NI	Pension	2021 Total
	£	£	£	£
Jenny Sealey, CEO and Artistic Director	57,250	6,687	4,007	67,944
Kevin Walsh*, Executive Director	50,000	5,686	3,500	59,186
Charles Mills, Finance Director	46,500	5,203	3,255	54,958
				182,088

*previously Operations Director

	Salary	NI	Pension	2020 Total
	£	£	£	£
Jenny Sealey, CEO and Artistic Director	57,250	6,709	4,007	67,966
Kevin Walsh, Operations Director	47,521	5,366	3,377	56,264
Charles Mills, Finance Director	46,500	5,225	3,255	54,980
				179,210

Pay multiples of full time equivalent earnings for monthly paid staff at the start of the financial year	2021	2020
Highest to median	1.8	1.8
Highest to lowest	2.9	2.5

Percentage by which hourly earnings for monthly paid male staff exceed hourly earnings for monthly paid female staff at the start of the financial year	2021	2020
Mean	8	17
Median	10	28

Non-payroll	2021	2020
In addition to employees paid through the payroll the company contracts with individuals to provide services in relation to the company's activities. These individuals include actors, musicians, directors, choreographers, designers, stage managers, duty managers, practitioners, facilitators, access support workers, interpreters, fundraisers, marketing consultants and financial consultants. The total cost associated with these additional individuals is:	£	£
	412,173	313,882

11 NET INCOME BEFORE TRANSFERS	2021	2020
	£	£
Net income before transfers is stated after charging:		
Depreciation	88,296	88,207
Auditor's remuneration (statutory audit)	7,250	6,900

The Graeae Theatre Company Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

12 FIXED ASSETS

	Heritage assets £	Computer Equipment £	Production Equipment £	Motor Vehicles £	Office Equipment £	Leasehold Property £	Total £
COST							
At 1 April 2020	1,300	40,054	124,326	38,356	110,567	2,443,033	2,757,636
Additions	-	7,553	-	-	-	-	7,553
Disposals	-	-	-	-	-	-	-
At 31 March 2021	1,300	47,607	124,326	38,356	110,567	2,443,033	2,765,189
DEPRECIATION							
At 1 April 2020	-	35,624	121,662	38,356	104,989	874,320	1,174,951
Charge for the year	-	3,554	1,877	-	1,430	81,435	88,296
Disposals	-	-	-	-	-	-	-
At 31 March 2021	-	39,178	123,539	38,356	106,419	955,755	1,263,247
NET BOOK VALUES							
At 31 March 2021	1,300	8,429	787	-	4,148	1,487,278	1,501,942
At 31 March 2020	1,300	4,430	2,664	-	5,578	1,568,713	1,582,685

The heritage asset is a painting of Nabil Shaban by Eleanor Johnson which was donated to the company in November 2016.

13 DEBTORS

	2021 £	2020 £
Trade debtors	36,543	25,380
Other debtors and prepayments	64,224	52,156
Deferred production costs	94,822	47,408
	195,589	124,944

**14 CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	46,046	31,836
Other taxes and social security	11,078	9,936
Deferred income	5,000	-
Other creditors and accruals	80,961	81,690
	143,085	123,462

The company operates a defined contribution scheme for its employees.
There were no outstanding contributions in creditors at 31 March 2021 or 31 March 2020.

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

15 MOVEMENTS IN FUNDS

	At 1 April 2020 £	Income £	Expenditure £	Transfers to General £	Transfers from General £	At 31 March 2021 £
<u>Restricted funds</u>						
Leasehold property, including ACE Sustain	1,562,260	-	-	(81,133)	-	1,481,127
Equipment grants	7,156	-	-	(2,627)	-	4,529
Cross project grants	100,000	315,557	(57,964)	-	-	357,593
Productions and other artistic activities	20,000	113,000	(62,906)	(9,653)	-	60,441
Arts Council Funding - Investment funds	-	-	-	-	-	-
Training, education and learning	69,260	191,632	(150,261)	(29,479)	-	81,152
Access to Work	-	71,312	(71,312)	-	-	-
Total restricted funds	1,758,676	691,501	(342,443)	(122,892)	-	1,984,842
<u>Unrestricted funds</u>						
<u>Designated funds</u>						
New writing fund	-	-	-	-	108,877	108,877
Artistic fund	40,000	-	-	(4,854)	4,854	40,000
Training, education and learning	20,000	-	-	(26,088)	26,088	20,000
Marketing fund	18,000	-	-	(2,904)	-	15,096
Strategic development fund	12,992	-	-	(600)	17,608	30,000
Fixed asset fund	12,486	-	-	(4,536)	8,528	16,478
Access fund	25,000	-	-	(19,368)	19,368	25,000
Sinking fund	60,000	-	-	(5,975)	45,975	100,000
Leasehold property operational fund	48,000	-	-	(16,000)	-	32,000
Total designated funds	236,478	-	-	(80,325)	231,298	387,451
General funds	485,534	928,631	(756,980)	203,217	(231,298)	629,104
Total unrestricted funds	722,012	928,631	(756,980)	122,892	-	1,016,555
Total funds	2,480,688	1,620,132	(1,099,423)	-	-	3,001,397

Summary of transfers from restricted funds to unrestricted funds

Depreciation of assets purchased with restricted funds	83,760
Grant received in 2020-21 for expenditure incurred in 2019-20	9,653
Release of restricted funds for core costs agreed by funders	29,479

122,892

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

15 MOVEMENTS IN FUNDS (continued)

	At 1 April 2019 £	Income £	Expenditure £	Transfers to General £	Transfers from General £	At 31 March 2020 £
<u>Restricted funds</u>						
Leasehold property, including ACE Sustain	1,643,393	-	-	(81,133)	-	1,562,260
Equipment grants	7,015	8,000	(5,160)	(2,699)	-	7,156
Cross project grants	-	-	-	-	-	-
Productions and other artistic activities	3,395	145,514	(128,909)	-	-	20,000
Arts Council Funding - Investment funds	4,500	1,000	(5,500)	-	-	-
Training, education and learning	31,973	274,620	(137,333)	-	-	169,260
Access to Work	-	51,798	(51,798)	-	-	-
Total restricted funds	1,690,276	480,932	(328,700)	(83,832)	-	1,758,676
<u>Unrestricted funds</u>						
<u>Designated funds</u>						
New writing fund	-	-	-	-	-	-
Artistic fund	40,000	-	-	(8,080)	8,080	40,000
Training, education and learning	20,000	-	-	-	-	20,000
Marketing fund	18,000	-	-	-	-	18,000
Strategic development fund	12,992	-	-	-	-	12,992
Fixed asset fund	9,666	-	-	(4,375)	7,195	12,486
Access fund	25,000	-	-	(913)	913	25,000
Sinking fund	60,000	-	-	-	-	60,000
Leasehold property operational fund	64,000	-	-	(16,000)	-	48,000
Total designated funds	249,658	-	-	(29,368)	16,188	236,478
General funds	537,301	824,630	(973,409)	113,200	(16,188)	485,534
Total unrestricted funds	786,959	824,630	(973,409)	83,832	-	722,012
Total funds	2,477,235	1,305,562	(1,302,109)	-	-	2,480,688

Summary of transfers from restricted funds to unrestricted funds

Depreciation of assets purchased with restricted funds

83,832

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

15 MOVEMENTS IN FUNDS (continued)

Restricted funds

Leasehold property fund

The leasehold property fund was set up in 2007-08 for funding received in the development of the Bradbury Studios. The building was acquired under a 30-year lease. The transfer for the year represents the annual depreciation charge.

Equipment grants

These funds represent grants received to contribute to the cost of purchasing, developing or maintaining specific assets. No grants were received during the year (2020: £8,000). During the year £2,627 (2020: £7,859) was applied for depreciation on the assets purchased, maintenance costs, and costs incurred on equipment no longer being developed.

Cross project grants

These are grants that support a range of Graeae's activities.

During the year Graeae received £110,000 from Arts Council England Transforming Leadership (2020: £100,000) and £50,659 has been spent supporting the Beyond project and related activities (2020: nil). Delivery of some activities has been difficult under Covid restrictions so Arts Council England has extended the grant period into 2022-23.

In February Graeae received £198,107 from the Weston Culture Fund which will significantly support digital delivery of future activities in addition to live performances.

A grant of £7,450 from Creative Land Trust supported a rent reduction for part of 2020 for another charity that occupies space in Bradbury Studios.

Productions and other artistic activities

This fund includes £20,000 from Cockayne Foundation received in July 2019 for a future opera production and a further £20,000 from The Stables received in March 2020 for the same production. All £40,000 is being carried forward.

During the year Graeae received grants of £63,000 from Arts Council England and £20,000 from Paul Hamlyn Foundation to support deaf and disabled artists during Covid restrictions by providing IT equipment and access support for online activities. At 31 March 2021 there was £20,441 remaining to be distributed.

Graeae also received £10,000 from Ramps on the Moon to fund training roles. £9,653 of this related to expenditure in 2019-20 and the remainder was spent in 2021-21.

Arts Council Funding - Investment funds

No investment funds were received in the year (2020: £1,000) and there was no balance carried forward (2020: £nil).

Training, education and learning

Grants totalling £191,632 (2020: £174,620) were received in the year to contribute to the costs of the youth programme, the new writing programmes *Write to Play* and *Play Labs*, Ensemble, the Beyond project and other workshop activities. A grant from Arts Council England Transforming Leadership which was included under this heading in 2019-20 has been reanalysed under *cross project grants* above.

Access to Work

The company receives funds from the Department of Work and Pension's "Access to Work" scheme. The scheme enables the company to reclaim some of the additional costs incurred in setting up and providing work-related access support.

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

15 MOVEMENTS IN FUNDS (continued)

Unrestricted funds

General funds

General funds represent those funds that are unrestricted and not designated for other specific purposes.

New writing fund

Esmée Fairbairn Foundation has agreed continuing support for years eight and nine of Graeae's new writing programme. However, recognising the challenges of Covid restrictions, Esmée Fairbairn Foundation has generously made this support unrestricted. Graeae's intention, as far as possible, is to use these funds as originally intended, hence this designated fund. The fund also includes other donations which, although unrestricted, were made with new writing in mind.

Artistic fund

The artistic fund allows the company to develop a more strategic and ambitious programme in the future. In 2019-20 £8,080 was applied to Graeae's UK productions. There were no touring productions in 2020-21 but £4,854 was applied to support an online event called Signal Fires. The Board has agreed to allocate £4,854 (2020: £8,080) to this fund at 31 March 2021 to support future work.

Training, education and learning fund

This fund supports important outreach opportunities which may not been fully funded through specific grants. This fund has supported the costs of curtailing the Ensemble diploma course early because of Covid restrictions. The Board has agreed to restore the fund to £20,000 at 31 March 2021.

Marketing fund

The marketing fund is available to support marketing and publicity costs of future projects. During the year £2,904 (2020: £nil) has been applied for producing a number of *Disability and ...* podcasts.

Strategic development fund

The strategic development fund supports investment in succession planning, skills' development, strategic advice and fundraising activities. During the year £600 was applied for mentoring (2020: £nil). The Board has agreed to increase the fund to £30,000 at 31 March 2021.

Fixed asset fund

The fixed asset fund is to cover the cost of purchasing and replacing fixed assets where these are not funded by specific grants. During the year £4,536 (2020: £4,375) was utilised in respect of depreciation on assets purchased through the fund. The Board has agreed to allocate an additional £8,528 (2020: £7,195) to the fund.

Access fund

The company employs a higher proportion of people with disabilities than most other organisations. This fund is set up to support access costs that are not covered by Access to Work or by specific grants. £19,368 (2020: £913) has been utilised during the year. The Board has agreed to restore the fund to £25,000 at 31 March 2021.

Sinking fund

The sinking fund has been set up to cover equipment maintenance, general wear and tear of the building and unplanned maintenance. £5,975 (2020: £nil) has been released in respect of repairs during the year. Some significant maintenance and repairs are expected and therefore the Board has agreed to allocate £45,975 (2020: £nil) to the fund bringing the total to £100,000.

Leasehold property operational fund

The leasehold property operational fund has been set up to provide for the anticipated quinquennial rent reviews under the lease and increases in costs of the building generally. £16,000 (2020: £20,000) was utilised during the year to offset the rent increase applied from July 2018. In view of the considerable uncertainty about the level of future rents no further allocation has been made to the fund this year (2020: £nil).

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

	Restricted	Unrestricted General	Unrestricted Designated	2021 Total
	£	£	£	£
Fixed assets	1,484,164	1,300	16,478	1,501,942
Current assets	517,291	754,276	370,973	1,642,540
Current liabilities	(16,613)	(126,472)	-	(143,085)

At 31 March 2021	1,984,842	629,104	387,451	3,001,397
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	Restricted	Unrestricted General	Unrestricted Designated	2020 Total
	£	£	£	£
Fixed assets	1,567,924	1,300	13,461	1,582,685
Current assets	190,752	607,696	223,017	1,021,465
Current liabilities	-	(123,462)	-	(123,462)

At 31 March 2020	1,758,676	485,534	236,478	2,480,688
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The company had no capital commitments at 31 March 2021 or at 31 March 2020.

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

18 OPERATING LEASE COMMITMENTS

At 31 March 2021 the charity was committed to making the following payments under non-cancellable operating leases:

	2021	2020
	£	£
Land and buildings - operating leases payments due		
In under one year	137,700	137,700
Later than one year and not later than two years	121,475	137,700
Later than two years and not later than five years	360,000	361,475
Later than five years	1,475,507	1,595,507
	2,094,682	2,232,382
Plant and machinery - operating leases payments due		
In under one year	2,198	2,198
Later than one year and not later than two years	170	2,198
Later than two years and not later than five years	-	170
	2,368	4,566

The lease agreement for the premises at Bradbury Studios is subject to a quinquennial rent review. (see also note 19). The next review is due at 18 July 2023.

The company has entered into a five year lease on a store in Erith which expires on 28 April 2024.

19 LEGAL CHARGE

On 24 November 2008, the company signed a lease relating to premises at Bradbury Studios, 138 Kingsland Road, London, E2 8DY for a term of 30 years expiring 17 July 2038.

The lease premium paid was £1,000,000 plus VAT of £175,000.

Arts Council England (ACE) provided a grant to cover the cost of the premium and other costs relating to the premises. It was a condition of the grant that ACE have a fixed and floating security over the assets of the company. The charge is also dated 24 November 2008.

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

20 RELATED PARTY TRANSACTIONS

<u>Trustee expenses</u>		2021		2020
The following amounts were reimbursed to Trustees:	Number	£	Number	£
Travel and accommodation	-	-	1	206

During 2020-21:

A relative of the CEO undertook work for the charity on normal business terms:

- as office duty manager for three days during Covid travel restrictions in June 2020 for a fee of £348.
- video editing on three separate filmed activities for a total fee of £1500.

The partner of the Executive Director prepared and recorded an audio description for a filmed documentary on normal business terms for a fee of £464.

During 2019-20:

One trustee undertook work as a freelance actor and a workshop leader on normal business terms on three occasions for a total fee of £949.

One trustee is employed by a company which hired space from the charity for four days on normal business terms.

Notes to the Financial Statements
For the Year Ended 31 March 2021 (continued)

21 OTHER GRANTS RECEIVED

	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Note 2 - income from donations						
Arts Council England Investment Funds	-	-	-	1,000	-	1,000
Arts Council England Transforming Leadership	110,000	-	110,000	100,000	-	100,000
Andrew Lloyd Webber Foundation	10,000	-	10,000	10,100	-	10,100
Backstage Trust	20,000	-	20,000	20,000	-	20,000
Bailey Thomas Charitable Fund	(3,000)	-	(3,000)	5,000	-	5,000
City Bridge Trust	37,440	-	37,440	-	-	-
Creative Land Trust	7,450	-	7,450	-	-	-
Cockayne Foundation	-	-	-	20,000	-	20,000
Equity Charitable Trust	-	-	-	5,000	-	5,000
Esmée Fairbairn Foundation	55,000	150,000	205,000	100,000	-	100,000
Garfield Weston Foundation	198,107	-	198,107	-	-	-
Postcode Community Trust	18,920	-	18,920	-	-	-
The Catherine Cookson Charitable Trust	-	-	-	1,000	-	1,000
The Daiwa Foundation	-	-	-	2,500	-	2,500
The Edward Gosling Foundation	-	-	-	3,000	-	3,000
The Foyle Foundation	-	-	-	25,000	-	25,000
The Helen Jean Cope Charity	-	-	-	1,000	-	1,000
The National Lottery Community Fund	-	-	-	9,520	-	9,520
The Scarfe Charitable Trust	-	-	-	750	-	750
The Sir James Reckitt Charity	-	-	-	3,000	-	3,000
The Stables	20,000	-	20,000	-	-	-
	473,917	150,000	623,917	306,870	-	306,870

Note 3 - income from charitable activities

Acumen Fellowship	-	11,007	11,007	-	-	-
Arts Council England	71,000	-	71,000	-	-	-
British Council	-	-	-	22,264	-	22,264
National Lottery Community Fund	42,272	-	42,272	-	-	-
Paul Hamlyn Foundation	20,000	-	20,000	-	-	-
Ramps on the Moon	10,000	-	10,000	100,000	-	100,000
The Curve Theatre	3,000	-	3,000	-	-	-
	146,272	11,007	157,279	122,264	-	122,264

22 COVID-19 AND GOING CONCERN

Covid-19 has had a widespread effect on daily life in the United Kingdom and has severely constrained the arts sector of the economy. In particular, live performances before live audiences have not been possible for most of the year. For Graeae there is the further recognition that many of the actors and creatives with whom Graeae works will be shielding for an extended period. In the meantime, using remote working technology, Graeae has continued creative activities, producing online content and working with co-producers towards resuming live performance when conditions allow.

The Board is confident that Graeae should be treated as a going concern for the following reasons:

- there is a current funding agreement with Arts Council England up to March 2022 which covers the majority of day to day operating costs. An application is in progress to extend this funding agreement to March 2023.
- Graeae is receiving substantial grants from the Transforming Leadership programme, Esmeé Fairbairn Foundation, City Bridge Trust and Garfield Weston Foundation which allow some programmes of work to continue in the absence of live
- the company has unrestricted funds of £1,016,855 at 31 March 2021 (2020 £722,012) most of which is represented by cash in the bank.

The key assumption is that the UK government does not significantly change the funding regime for Arts Council England in the 12 months from the date that these financial statements are signed.