

**OVALHOUSE THEATRE LIMITED**

**trading as Brixton House**

**A Company Limited by Guarantee**

**Registered Company No. 1796513**

**Registered Charity No. 288931**

**TRUSTEES' REPORT AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2022**

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**Ovalhouse Theatre Limited trading as Brixton House**  
**(A company limited by guarantee)**  
**Legal and administrative information**

**Company details**

Registered Name:	Ovalhouse Theatre Limited	Trading as Brixton House
Registered Charity No:	288931	
Registered Company No:	1796513	
Registered Address:	385 Coldharbour Lane London SW9 8GL	
Trustees:	<p>Abiola Agana  Oladipo Agboluaje  Eddy Akang  Jacqui Beckford  Richard Beecham  Michael Bright  David Bryan  Sunil Chotai  Fionnuala Hogan  Nankunda Katangaza  Christina Liciaga  Robin Priest  Carole Stewart  Susan Timothy</p>	<p>Resigned 10 August 2022  Resigned 16 June 2022  Appointed 16 June 2022  Resigned 16 June 2022</p> <p>Resigned 16 June 2022  Chair  Appointed 19 January 2022  Appointed 19 January 2022  Resigned 19 January 2022  Appointed 16 June 2022</p> <p>Appointed 16 June 2022</p>
Members:	<p>Christopher Egerton-Warburton  Martin Humphries  The Hon. Peter Jay  Esther Leeves  The Dean, The Very Reverend Professor Martyn Percy, President  William Rathbone OBE, Vice-President  John Spall  Reverend Ralph Williamson</p>	
Joint Chief Executive Officers	Gbolahan Obisesan & Gary Johnson	
Company Secretary:	David Bryan	
Auditor:	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP	
Bankers:	Barclays Bank PLC London SE11 4PZ	National Westminster Bank PLC London EC2Y 5AQ
Investment advisers:	CCLA Investment Management Limited St Alphage House 2 Fore Street London EC2 5AQ	

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TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2022

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The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Ovalhouse Theatre Limited trading as Brixton House (the Charity) for the year ended 31 March 2022. The trustees confirm that the annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the 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 (The FRS102 Charities SORP) issued in July 2014.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Objectives of the charity**

The Charity is a charitable company limited by guarantee and was set up on March the 1<sup>st</sup> 1984. In setting objectives and planning activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit, including the guidance "public benefit: running a charity (PB2)."

The principal objects of the Charity as set out in the constitution are to:

- promote the mental, physical and spiritual well-being of all ages especially those of disadvantaged background resident in the neighbourhood of Lambeth and such other neighbourhoods as may hereafter be decided;
- provide education in the arts of music, drama and crafts; and
- to advance the arts and culture by producing and promoting theatre plays, encouraging and promoting the involvement of young people in theatre and performing arts and providing performance spaces.

### **Recruitment and appointment of trustees**

The management of the company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

The board of trustees may appoint any person as a member of the board provided the number of trustees is not less than eight, nor more than fourteen. Trustees must resign (and may stand for re-election) at the Annual General Meeting every three years, and one third of the Board must resign and stand for re-election each year. After three consecutive three-year terms, a trustee is expected to retire unless exceptional circumstances apply.

Trustees are selected according to the skills, knowledge and experience which they can contribute to the charity's work. Potential trustees are interviewed by the Chair, a panel of trustees and Director, and the recommendation for their appointment is put to the board for approval.



**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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A skills audit is carried out on trustees on an annual basis, whether or not a vacancy occurs, to identify competencies and attributes needed for future members. The audit takes the form of a board membership review carried out by the Chair and senior management team.

All trustees give of their time freely and no remuneration or expenses were paid in the year. Trustees are required to disclose all relevant interests and register them with the Executive Director and in accordance with policy withdraw from decisions where a conflict of interest arises.

**Induction and training of trustees**

We have in place a comprehensive Trustee Induction Pack. The pack, covering all aspects of the charity's business and artistic endeavour, is part of our approved Appointment Policy. A system of peer review continues to operate to ensure newer members can contribute most effectively to the board.

**Constitution and organisational structure**

Members of the Association are responsible for voting in the board of trustees and approving the accounts of the charity. The governance of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

The board of trustees have corporate responsibility for ensuring that the charitable company complies with any statutory or administrative requirements for the use of public and/or private funds.

The day to day running of the charity is delegated to the Joint Chief executives consisting of the Artistic Director and Executive Director. Trustee Board meetings are held at least 4 times a year on a quarterly basis. There are an additional four Finance & Strategy Committee (F&S) meetings which directly precede each trustee board meeting at which the Management Accounts for each quarter, annual budgets and remuneration are agreed for recommendation to the full board. For the Capital Project there is a co-opted Development Board with specific sector expertise which is chaired by a Trustee – this meets six times a year. An AGM is held with members of the association and trustees each year.

**Risk mitigation**

The trustees are responsible for the management of the risks which face the charity. The board, through its Finance and Strategy Committee, and the Senior Management Team (SMT) currently operate a risk management system that ensures that the following key principles of effective risk management have been applied:

- covers all risks – including governance, management, quality, reputational and financial – but is focused on the most important risks;
- produces a balanced portfolio of risk exposure;
- is based on a clearly articulated policy and approach;
- requires regular monitoring and review, giving rise to action where appropriate;
- needs to be managed by an identified individual and involve the demonstrable commitment of trustees and senior staff;
- is integrated into normal business processes and aligned to the strategic objectives of the organisation.

The charity maintains a Risk Register for the recording and monitoring of risks. It has been designed to establish a clear link between the strategic objectives and each recorded risk; and this ensures that

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any process, project or initiative that will adversely affect Ovalhouse Theatre Limited successfully achieving its overall business goals will be flagged and addressed.

These risks are mitigated by a combination of Quarterly management accounts, SMT vigilance, F&S Committee monitoring and the strategy of the SMT which is overseen by the trustees.

The trustees have assessed the potential risks to which the charity is exposed, in particular those related to the operations and finances of the charity during the year and made some adjustments to the controls and systems in place in the areas of investment and budget over-runs to mitigate our exposure to the high risks.

### **RISK ASSESSMENT**

As part of its ongoing responsibility for ensuring the identification and management of risk, the Board adopts a rolling assessment of strategic and operational risk. This process of risk management is reviewed on a regular basis by the Finance and Strategy Committee which in turn reports into the Board. On an annual basis, the SMT report to the Board on the highest level risks and their mitigating actions. The severity of a risk is assessed in two ways:

- Current Assessment - based on the perceived severity and probability of occurrence which when multiplied together results in a raw risk factor
- Assessment after Action - based on identified mitigation being taken and reducing the probability of occurrence resulting in a revised risk factor

### **Key Risks**

Risks at an organisational level are grouped under the following six headings: impact, financial sustainability, compliance, reputational and major operational. The key risks after mitigation that the Board is currently focusing on are:

- Financial – the challenge of securing sufficient unrestricted funds and having a strong pipeline of restricted income against the needs of the budget and forecast expenditure.
- Local and Central Government – direction of material changes in national policy or local statutory implementation of policy
- Organisational change and HR – the potential impact arising from the need to renew our structures and the ability to attract and retain talented staff
- Growth – failure to take opportunities when they arise, the uncertainty caused by the delays in the capital project in Brixton will have a negative impact on delivery of the necessary cashflow and theatre activities over the short to medium term period.
- Cyber security and data protection – failure to adequately protect the Ovalhouse's data in a sector which is constantly evolving and changing with increasingly stringent cyber security obligations through legislation

These key risks, and their potential impact on income and the use of the charity's services, are monitored continually and reviewed regularly by SMT, and by the F&S Committee.

## **ACHIEVEMENTS AND PERFORMANCE**

### **How we opened**

Emerging from under the grip of the global pandemic and subsequent lockdowns and the visible and live streamed murder of George Floyd highlighted the importance of our continued fight for equality and common humanity.

As weeks and months passed by, many artists in our sector expressed public despair at the lack of sector infrastructure or care for freelancers that prompted the need to mobilise action groups to lobby DCMS whilst others decided it was time to leave the arts sector all together. The remaining artists and theatre-makers are either scrambling for equitable opportunities or even more in demand to speak to the concerns of arts and the conscience of the public and powerbrokers. The arts are required to appeal to all our sensibilities of building a better society. Their visions and offers allow for safe space for us all to thrive whilst envisaging and actively pursuing an inclusive future that celebrates all lived experiences without prejudice.

As the third lockdown was lifted and theatres were confidently and blatantly exploiting black narratives and experience to entice audiences back out into their venues. We had just received word from Southern Gas that the long resolution to a leak on Coldharbour Lane had been resolved. The requirement to tread carefully into the 'new normal' was clearly a second thought sector wide and considering we were over a year behind on our theatre's delivery and the loss of revenue in that time was beginning to raise concerns with our board, we took the pragmatic decision to proceed under a temporary lease and opened our new theatre in February 2022.

We opened to operate in a depleted arts and creative industry and have to downplay any anxiety or cynicism and prioritise the allure, resilience and power of the theatre to withstand and play a pivotal role in the economic recovery and process of healing that many people were navigating.

We have chosen to emphasize our ethics and mobilising care, compassion and communion as an action plan to counteract any cynicism as we maintain the importance of art and theatre as priority in people's lives. With that said we live fiercely by our values, informed by an ethos that reminds us to always be conscientious in all we do to deliver positive and memorable experiences for our communities, to the highest standards in our renewed incarnation on Coldharbour lane.

We especially must be mindful, for Ovalhouse Theatre Limited now known as Brixton House, to be trusted as a creative safe space for neglected and marginalised communities. We must find opportunities to supply unique experiences and foreground narratives that centres hidden stories and generously sharing more of our responsibility as a civic space that enables and uplifts many on ours and their journey.

### **Activities**

April 2021 being the 40th Year anniversary of the Brixton Uprising against police brutality and indiscriminate use of the SUS laws. Spearheaded by Brixton based local leaders, activists and community leaders, we decided to contribute to the 81 Acts of Exuberant Defiance in celebration of the anniversary year of the uprising by creating two pieces of work.

On These Streets, an interactive journey across contemporary Brixton that fuses personal histories from people who took to the streets in April 1981 with new artistic responses to tell us why the Brixton Riots, known to many as the Brixton Uprising, had to happen - and to ask us what its legacy is now, was created by interactive theatre company non-zero one. Between the 27th of August and 30th of September there were 332 bookers, with 688 people taking part in total. Of these 245 (74%) were completely new to Brixton House.

Brixton Stand Up, a live recorded long table discussion inspired by Lois Weaver, around the legacy of the Brixton Uprising was filmed at Longfield Hall and directed by Adeyemi Michael. Some of the contributors on the day included Temi Mwale, Emma Dabiri, Tony Cealy, Malaika Booker, Alex Wheatle, and other Black social activists and commentators. The edit is still being refined, due to the complex international work and filming schedule for the director which has delayed the final edit. The resulting edit is intended to be insightful and above all engaging due to the frankness of the conversation and those around the table contribute to the reflections on the 1981 uprising.

### **A show in both spaces**

Due to some of the unforeseen and unpredictable delays to the completion of works on our new building, we perceptively delayed our intended housewarming program of curated new work called Housemates by moving it to Spring 2022. The delay also meant opening our building a week later than the practical completion date of the 14th February 2022, thus we opened the building on the 24th with the family show Butterflies by Tangled Feet & Half Moon Theatre, in the round in Theatre 2 and in our main space Mugabe, My Dad & Me by Tonderai Munyevu, a co-production with ETT, & York Theatre Royal. The production toured and returned to Brixton House to play the delayed week and the show received a strong home coming audience at the end of March.

### **Expanding the Staff Team**

We recruited strongly locally through our Job-Shop on the 4th & 11th November 2021 for Front of House staff, Customer Service Manager, Technical Staff, Caretaker and Duty Managers. A lot of our new staff members have never worked in a theatre so there was a strong requirement for training and on boarding of expected processes and procedures.

### **FUTURE PLANNING**

We have a unique opportunity to be a sector leader by modelling inclusive practice and sector support for early career artists and practitioners.

Our Business Plan moving forwards will reflect a diverse financial model that maximises our income generation across all spaces and retains artistic experiences at the center of our aspirations for meeting our revenue targets.

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**FOR THE YEAR ENDED 31 MARCH 2022**

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We must prioritise significant cultural relevance, inspiring generations whilst attaining our goals for expansion through trusted partnerships and cultivating a national and international reputation for excellence.

We have to embrace attaining significantly higher fundraising targets and providing well-resourced arts, cultural and social provisions for our community. We would naturally benefit from large financial gifts and donations from philanthropists who recognise the importance of our mission and the significant impact their investment could have on our organisation and communities.

We require the Christ Church pledge of support of £250k to be deposited so we can dedicate these funds towards the work our Learning & Participation department plans for young people, elders and vulnerable people.

**Gbolahan Obisesan**  
**Artistic Director & Joint CEO**

## **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

### **Income from Donations and Grants**

Ovalhouse Theatre Limited received an increase in income from Donations and Grants of 86% from 2021 mainly as a result of two grants totalling £250,000 from the Government's (DCMS) Coronavirus Recovery Fund to help with core costs through the pandemic. Additional capital support was also received from the Coronavirus Kickstart fund. As a National Portfolio Organisation our revenue grant from Arts Council England was maintained at £484,277 per annum despite a reduction in activity.

### **Capital Project**

The move to the new building finally took place at the end of the financial year (March 2022). Some of the capital funds are yet to be received and will be released in early 2023 to Ovalhouse Theatre Limited upon legal completion. It is aimed for completion by the end of 2022. The total development costs stand at £18.1m with income anticipated from fundraising, grants and interest payments.

It is anticipated that there will be a shortfall at the end of the project of £3,398,001 owed to Lambeth which will be added as a long-term loan secured on the lease. We will continue fundraising to reduce the size of the loan and for any items that were outside the scope of the original project.

### **Income from Charitable Activities**

Our income from Charitable Activities increased from £59,136 (2021) to £103,897 (2022) as per the accounts due to the gradual lifting of lockdown and the resumption of our Learning & Participation activities. The Coronavirus pandemic continued to have an impact on our Activities and the organisation was closed for 10 months of the year where we were operating from our temporary office in Brixton until the new site was handed over for a soft opening at the end of February 2022.

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TRUSTEES' REPORT (continued)  
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**Income from Other Trading**

Due to reopening we were able to generate £18,785 of Trading income versus income of £nil (2021) and our last full year trading of £129,388 (2020).

**Expenditure on Raising Funds**

This expenditure shows a slight reduction of £106,392 (2022) versus £117,858 (2021) as some of the staff allocated to the capital project came to the end of the contracts.

**Expenditure on Charitable Activities**

This expenditure was increased to support the restarting of our participation projects and resumption of our theatre programme. The costs increased significantly by 60% to £1,061,603 (2022) compared to £664,677 (2021) which was a result of the extremely limited programme and staff costs in the prior year.

**Fundraising**

Raising voluntary funds from trusts, foundations and individuals is a vital source of income for Brixton House, enabling us to fulfil our charitable objectives as effectively as possible. We are very grateful for the support given by all our donors.

Brixton House believes that fundraising should be an open, honest and respectful process. We aim to build and maintain solid partnerships with our supporters and donors, based on mutual understanding and shared values. In developing our approach to fundraising we have taken account of the Code of Fundraising Practice issued by the Fundraising Regulator.

We operate with a small internal fundraising team and do not engage external professional fundraisers or commercial bodies to carry out fundraising activity and do not engage in face-to-face or telephone fundraising. Brixton House has received no complaints about its fundraising activities either during the financial year or subsequently.

As part of its preparation for the General Data Protection Regulation that came into force in May 2018, Brixton House has reviewed and updated its Privacy Policy in 2021. This policy, published on our website, clearly states what personal data we will hold in relation to supporters and how this data will be used. It sets out how individuals can raise concerns or complaints.

**Investment Policy and Performance**

The trustees have adopted an ethical investment policy which excludes investments in companies where a significant part of their business is in armaments, tobacco, gambling or pornography.

**Reserves Policy**

The trustees review annually the amount of free reserves needed by the charity to maintain its operational capacity in the event that grants and earned income are delayed due to unforeseen circumstances. The benchmark adopted in the recent past has been a level of free reserves of

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TRUSTEES' REPORT (continued)  
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£125,000 which covers around 2 months' unrestricted income. Current free reserves represent around 4 months' unrestricted income and this higher level is intended to provide the added security to enable the charity to run a capital campaign to build a new theatre in Brixton (which is intended to strengthen the charity's longer-term sustainability). The reserves policy will be reviewed in 2023 in light of our increased overhead cost.

**Pay and Remuneration**

Staff pay was reviewed in the year and limited cost of living increases were made in April 2021. The rate of pension contributions remained at the level set in previous years.

**Post year End and Future Plans**

We conducted a large recruitment campaign at the end of the financial year that flowed into the new year as we ramped up our operations. The recruitment of skilled staff has been problematic due to high levels of employment and a shortage of a suitable candidate. We have not yet fully operated a full catering concession, but this is due to take place in late 2022/2023. There are some financial headwinds relating to the cost-of-living crisis and high energy costs that we are taking action to mitigate. We have managed to secure an additional NPO grant uplift up to £699,999 per year for the years 2023/24 to 2025/26 from Arts Council, announced in November 2022, and are in the process of updating our business plan for the next five years. This will also enable us to utilise the latest data from our first ten months of data from our Brixton opening.

As of December 2022, the board are currently in negotiation with London Borough of Lambeth to conclude the Lease negotiations and in turn the Cultural Hub and Facilities Management agreements. The intention of all stakeholders is to ensure that the organisation is put on a sustainable footing. We will learn from our deficit position in this 2022 (around our pilot year of operation) with the intention to deliver a break-even budget within two years. Updated business plans will be developed in February 2023 for the 2023-2026 financial period.

**TRUSTEES' RESPONSIBILITIES STATEMENT**

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;



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- make judgments and accounting estimates that are reasonable and prudent;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

**DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as the trustees are aware, there is no relevant audit information of which the Charity's auditor is unaware, and
- the trustees have taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the Charity's auditor in connection with preparing their report and to establish that the Charity's auditor is aware of that information.

The accounts have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006, relating to small companies.

**AUDITOR**

The auditor, Moore Kingston Smith LLP, have indicated their willingness to continue in the office. A proposal for their reappointment will be put forward at the Annual General Meeting.

Approved by the trustees on 12/22/2022 2022 and signed on their behalf by:

DocuSigned by:  
  
FE78EEF3C68A42D  
David Bryan  
Secretary



**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF OVALHOUSE THEATRE LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OVALHOUSE THEATRE LIMITED**

**Opinion**

We have audited the financial statements of Ovalhouse Theatre Limited for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF OVALHOUSE THEATRE LIMITED**

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knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of trustees**

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF OVALHOUSE THEATRE LIMITED**

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**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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF OVALHOUSE THEATRE LIMITED**

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**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

**Our approach was as follows:**

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**Ovalhouse Theatre Limited trading as Brixton House**  
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF OVALHOUSE THEATRE LIMITED**

---

**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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

Karen Wardell (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: *22 December 2022*

6<sup>th</sup> Floor

9 Appold Street

London

EC2A 2AP

**Ovalhouse Theatre Limited trading as Brixton House**  
**Statement of Financial Activities**  
**For the year ended 31 March 2022**

	Note	Unrestricted Funds £	Restricted Funds Capital Project £	Restricted Funds Other £	Total 2022 £	Total 2021 £
<b>Income</b>						
<i>Income from:</i>						
Donations and grants	2	497,105	1,149,840	308,028	<b>1,954,973</b>	1,046,498
Charitable activities	3	39,062	-	64,835	<b>103,897</b>	59,136
Other trading income	4	18,785	-	-	<b>18,785</b>	-
Investment income	5	3,350	-	-	<b>3,350</b>	3,284
<b>Total Income</b>		<b>558,302</b>	<b>1,149,840</b>	<b>372,863</b>	<b>2,081,005</b>	<b>1,108,918</b>
<b>Expenditure</b>						
<i>Expenditure on:</i>						
Raising funds	6a	106,392	-	-	<b>106,392</b>	117,858
Charitable activities	6b	916,084	15,000	130,519	<b>1,061,603</b>	664,677
<b>Total Expenditure</b>		<b>1,022,476</b>	<b>15,000</b>	<b>130,519</b>	<b>1,167,995</b>	<b>782,535</b>
Loss on disposal of movable assets	9	-	-	-	-	(4,350)
Realised and unrealised gains on investments	10	11,407	-	-	<b>11,407</b>	22,061
<b>Net (expenditure)/income</b>		<b>(452,767)</b>	<b>1,134,840</b>	<b>242,344</b>	<b>924,417</b>	<b>344,094</b>
Transfer between funds	14	196,569	80,388	(276,957)	-	-
<b>Net movement in funds</b>		<b>(256,198)</b>	<b>1,215,228</b>	<b>(34,613)</b>	<b>924,417</b>	<b>344,094</b>
<b>Reconciliation of funds:</b>						
Fund balances brought forward 20/21		269,163	8,594,906	45,308	8,909,377	8,565,283
<b>Fund balances carried forward 21/22</b>		<b>12,965</b>	<b>9,810,134</b>	<b>10,695</b>	<b>9,833,794</b>	<b>8,909,377</b>

These results are derived from continuing activities and all gains and losses recognised in the year are included in the above statement.

**Ovalhouse Theatre Limited trading as Brixton House**  
**Balance Sheet**  
For the year ended 31 March 2022

	Note	2022	2021
		£	£
<b>Fixed assets</b>			
Intangible Assets	9	16,921	-
Tangible fixed assets	9	1,304,969	54,029
Investments	10a	<u>147,263</u>	<u>132,505</u>
		1,469,153	186,534
<b>Current assets</b>			
Debtors	11	93,412	82,598
Cash at bank and in hand		<u>9,250,087</u>	<u>8,790,152</u>
		9,343,499	8,872,750
<b>Creditors: amounts falling due within one year</b>	12	<u>(978,858)</u>	<u>(149,907)</u>
<b>Net current assets</b>		8,364,641	8,722,843
<b>Net assets</b>		<u>9,833,794</u>	<u>8,909,377</u>
<b>Reserves</b>			
Unrestricted funds	13	12,965	269,163
Restricted funds	14	<u>9,820,829</u>	<u>8,640,214</u>
<b>Total funds</b>		<u>9,833,794</u>	<u>8,909,377</u>

The financial statements were approved by the board and authorised for issue and signed on 12/22/2022 on its behalf by:

DocuSigned by:

*Eddy Akang*

73E2BC82C8CC42B

Eddy Akang

Treasurer

DocuSigned by:

*David Bryan*

EF741B53C6A442D

David Bryan

Trustee

**Ovalhouse Theatre Limited**  
**Cashflow Statement**  
For the year ended 31 March 2022

	Note	2022	2021
		£	£
<b>Cash flow from operating activities</b>			
Net cash (used in)/provided by operating activities	(i)	<u>1,747,354</u>	<u>(501,377)</u>
<b>Cash flow from investing activities</b>			
Investment income		3,350	3,242
Acquisition of fixed asset investments		(3,350)	(3,242)
Proceeds from disposal of fixed assets		-	8,735,000
Purchase of intangible assets		(16,921)	-
Purchase of tangible movable assets		(1,270,498)	(55,233)
<b>Net cash provided by investing activities</b>		<u>(1,287,419)</u>	<u>8,679,767</u>
<b>Change in cash and cash equivalents</b>		459,935	8,178,390
<b>Cash and cash equivalents at the beginning of the year</b>		<u>8,790,152</u>	<u>611,762</u>
<b>Cash and cash equivalents at the end of the year</b>	(ii)	<u>9,250,087</u>	<u>8,790,152</u>
<hr/>			
<b>(i) Reconciliation of net income to net cash flow from operating activities</b>		<b>2022</b>	<b>2021</b>
		£	£
<b>Net income</b>		924,417	344,094
<b>Adjustments for:</b>			
Depreciation charge		19,557	2,801
Investment income		(3,350)	(3,284)
(Profit)/Loss on sale of investments		(11,407)	(22,061)
Loss on disposal of fixed assets		-	4,350
(Increase) in debtors		(10,814)	(3,879)
(Decrease)/Increase in creditors		<u>828,951</u>	<u>(823,398)</u>
<b>Net cash (used)/provided by operating activities</b>		<u>1,747,354</u>	<u>(501,377)</u>
<b>(ii) Analysis of cash and cash equivalents</b>		<b>2022</b>	<b>2021</b>
		£	£
Cash at bank and in hand		<u>9,250,087</u>	<u>8,790,152</u>
		<u>9,250,087</u>	<u>8,790,152</u>



# Ovalhouse Theatre Limited trading as Brixton House

## Notes to the Financial Statements

### For the year ended 31 March 2022

#### 1 Accounting policies

##### Company status

The charity is a company limited by guarantee. The members of the company have served as directors or are currently serving as directors as named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

##### Basis of accounting

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit company for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP published on 16 July 2014), the Companies Act 2006 and the Charities Act 2011.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of twelve months from the date of approval of the financial statements. In particular the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on income and the impact of the current economic climate. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements. Ovalhouse Theatre Limited has moved into an new build theatre in Brixton. There has been a delay in agreeing the final lease terms on the building with Lambeth Council and we currently occupy the building on a licence that expires in December 2022. Our board of trustees are managing this negotiation with the aim of securing a long term future of the organisation and reducing any residual debt. We are confident of a resolution in early 2023 with all stakeholders. To provide reassurance to our going concern status we are still holding a significant capital balance (£7m+) which will only be released on conclusion of negotiations and we maintain a backup loan facility of £5m from London Borough of Lambeth which is still in place within current legal agreements.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in the financial statements are rounded to the nearest pound.

##### Gifts in Kind

Where services are provided to the Charity at no cost and a reliable estimate can be made based on the value of the contribution to the Charity, this income and associated expenditure is recognised in the financial statements.

##### Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any material unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that grant conditions will be met and the grant will be received.

**Ovalhouse Theatre Limited trading as Brixton House**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**1 Accounting policies continued**

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the objectives of the charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Transfers between funds are made at the discretion of the directors.

Investment income, gains and losses are allocated to the appropriate fund.

**Incoming resources**

All incoming resources are included in the statement of financial activities when the Charity has entitlement to the funds, receipt is probable and the amount can be measured with sufficient reliability.

Where the donor has specified that donations or grants relate to future periods or that certain preconditions must be fulfilled before use, amounts received are recognised in the relevant period or when preconditions have been met.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**Resources expended**

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Charitable activities include expenditure associated with the operation of the theatre and related projects and programmes undertaken in fulfilling the charity's objects. Costs include both direct costs of activities and their related support costs.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

**Value added tax**

The charity is registered for VAT. In common with many other registered charities, Ovalhouse Theatre Limited expenses are inflated by VAT which cannot be recovered in full.

**Intangible Fixed Assets**

Expenditure in excess of £1,000 of a capital nature is capitalised.

Intangible fixed assets are amortised at rates provided to write off the cost less estimated residual value of each asset over its expected life, as follow:

Intangible Fixed Assets	20-33% straight line
-------------------------	----------------------

At the end of each period, the residual value and useful lives of assets are reviewed and adjusted if necessary.

**Ovalhouse Theatre Limited trading as Brixton House**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**  
**Continued**

**1 Accounting policies continued**

**Tangible fixed assets**

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold Property	over the course of the lease
Improvements to buildings	20-33% straight line
Furniture, Fixtures & Fittings	20-33% straight line

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

**Investments**

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA as incurred.

**Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial instruments are recognised at transaction value and subsequently adjusted for impairment with the exception of investments which are initially measured at transaction price and subsequently at fair value.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

**Critical accounting estimates and areas of judgement**

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

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

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

The annual depreciation charge for fixed assets is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

**Ovalhouse Theatre Limited trading as Brixton House**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

<b>2 Donations and grants</b>	<b>Unrestricted</b>	<b>Restricted Capital Project</b>	<b>Restricted Other</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations	12,828	21,203	5,000	39,031
Grants:				
Arts Council - London	484,277	-	-	484,277
Arts Council Recovery Fund 2	-	-	125,000	125,000
Arts Council Recovery Fund 3	-	-	125,000	125,000
Arts Council Kickstart Capital Fund	-	1,093,637	-	1,093,637
Garfield Weston Foundation	-	35,000	-	35,000
Arts Council : On These Streets	-	-	53,028	53,028
	<u>497,105</u>	<u>1,149,840</u>	<u>308,028</u>	<u>1,954,973</u>
Total Voluntary Income				
	<u>497,105</u>	<u>1,149,840</u>	<u>308,028</u>	<u>1,954,973</u>
	<b>Unrestricted</b>	<b>Restricted Capital Project</b>	<b>Restricted Other</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations	44,247	195,338	-	239,585
Grants:				
Arts Council - London	484,277	-	-	484,277
Arts Council Recovery Fund 1	-	-	250,000	250,000
Government grant- Furlough payments	72,636	-	-	72,636
	<u>601,160</u>	<u>195,338</u>	<u>250,000</u>	<u>1,046,498</u>
Total Voluntary Income				
	<u>601,160</u>	<u>195,338</u>	<u>250,000</u>	<u>1,046,498</u>

  

<b>3 Incoming resources from charitable activities</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Restricted Income</b>		
Youth Arts and education & Theatre projects		
- grants see below	64,835	59,136
<b>Unrestricted Income</b>		
Theatre Activities	39,062	-
	<u>103,897</u>	<u>59,136</u>
<b>Restricted Income</b>		
<b>Youth Arts and Education &amp; Theatre - Grants &amp; Contribution</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Guys & St Thomas Trust Imagining Futures Project	19,493	59,136
London Borough of Lambeth Short Breaks Demonstrate Project	45,342	-
	<u>64,835</u>	<u>59,136</u>
Total		
	<u>64,835</u>	<u>59,136</u>

**Ovalhouse Theatre Limited trading as Brixton House**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

<b>4 Other trading income</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Café Income	10,414	-
Hires and Other Income	8,371	-
	<u>18,785</u>	<u>-</u>

All other trading income received in 2022 is unrestricted income.

<b>5 Investment income</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Income from listed investments	3,350	3,284
	<u>3,350</u>	<u>3,284</u>

All investment income realised in 2022 and 2021 is unrestricted income

<b>6a Cost of raising funds</b>	<b>Unrestricted</b>	<b>Restricted Capital Project</b>	<b>Restricted Other</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Generating donations and grants				
Theatre publicity	85,067	-	-	85,067
Other trading activities				
Café costs	17,736	-	-	17,736
Hires & Events costs	3,589	-	-	3,589
	<u>106,392</u>	<u>-</u>	<u>-</u>	<u>106,392</u>
	<b>Unrestricted</b>	<b>Restricted Capital Project</b>	<b>Restricted Other</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Generating donations and grants				
Theatre publicity	70,984	-	-	70,984
Capital project includes staff costs	-	46,874	-	46,874
	<u>70,984</u>	<u>46,874</u>	<u>-</u>	<u>117,858</u>

<b>6b Charitable activities</b>	<b>Unrestricted</b>	<b>Restricted Capital Project</b>	<b>Restricted Other</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Youth Arts and Education Participation	136,672	-	77,491	214,163
Theatre Costs	710,743	-	53,028	763,771
Governance costs	68,669	-	-	68,669
Capital project costs	-	15,000	-	15,000
	<u>916,084</u>	<u>15,000</u>	<u>130,519</u>	<u>1,061,603</u>
	<b>Unrestricted</b>	<b>Restricted Capital Project</b>	<b>Restricted Other</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Youth Arts and Education Participation	73,967	-	47,998	121,965
Theatre Costs	458,810	-	-	458,810
Governance costs	56,873	-	-	56,873
Capital project costs	-	27,028	-	27,028
	<u>589,650</u>	<u>27,028</u>	<u>47,998</u>	<u>664,677</u>

Ovalhouse Theatre Limited trading as Brixton House  
Notes to the Financial Statements  
For the year ended 31 March 2022 Continued

6c Charitable activities by expenditure type

	Charitable activities Learning & Participation	Charitable activities Theatre Costs	Governance	Support costs	2022
	£	£	£	£	£
<b>Charitable activities</b>					
Staff costs	83,291	-	-	-	83,291
Demonstrate	27,247	-	-	-	27,247
Guys & St Thomas Trust Imaging Future	16,074	-	-	-	16,074
Theatre staff costs	-	138,551	-	-	138,551
Theatre development & running costs	-	204,207	-	-	204,207
Brixton project costs	-	15,000	-	-	15,000
<b>Support costs</b>					
Staff costs	-	-	-	350,758	350,758
Overhead costs	-	-	-	178,682	178,682
Depreciation	-	-	-	19,557	19,557
Staff costs	143,492	175,379	31,887	(350,758)	-
Overhead costs	53,605	107,209	17,868	(178,682)	-
Depreciation	5,867	11,734	1,956	(19,557)	-
<b>Governance costs</b>					
Auditor's remuneration	-	-	16,100	-	16,100
Board expenses	-	-	569	-	569
Legal and professional fees	-	-	4,000	-	4,000
Wages and salaries - direct	-	-	6,742	-	6,742
Senior Team Travel	-	-	692	-	692
Management expenses	-	-	133	-	133
	<u>329,576</u>	<u>652,081</u>	<u>79,947</u>	<u>-</u>	<u>1,061,603</u>

Ovalhouse Theatre Limited trading as Brixton House  
Notes to the Financial Statements  
For the year ended 31 March 2022

**6c Charitable activities by expenditure type**

	Charitable activities Learning & Participation	Charitable activities (Theatre Costs)	Governance	Support costs	2021
	£	£	£	£	£
<b>Charitable activities</b>					
Staff costs	34,176	-	-	-	34,176
Demonstrate	1,008	-	-	-	1,008
Guys & St Thomas Trust Imaging Future	46,990	-	-	-	46,990
Theatre staff costs	-	35,345	-	-	35,345
Theatre development & running costs	-	64,646	-	-	64,646
Brixton project costs	-	27,028	-	-	27,028
<b>Support costs</b>					
Staff costs	-	-	-	287,934	287,934
Overhead costs	-	-	-	139,392	139,392
Depreciation	-	-	-	2,801	2,801
Staff costs	117,791	143,967	26,176	(287,934)	-
<b>Overhead costs</b>	41,818	83,635	13,939	(139,392)	-
Depreciation	840	1,681	280	(2,801)	-
<b>Governance costs</b>					
Auditor's remuneration	-	-	14,200	-	14,200
Board expenses	-	-	597	-	597
Legal and professional fees	-	-	2,250	-	2,250
Wages and salaries - direct	-	-	6,522	-	6,522
Senior Team Travel	-	-	384	-	384
Management expenses	-	-	1,404	-	1,404
	<u>242,623</u>	<u>356,302</u>	<u>65,752</u>	<u>-</u>	<u>664,677</u>

**7 Net income/expenditure**

This is stated after charging:	2022 £	2021 £
Depreciation of tangible fixed assets		
- owned by the charity	19,557	2,801
Auditor's remuneration - current year	15,000	13,000
- prior year under accrual	1,100	1,200
	<u>16,100</u>	<u>14,200</u>

**Ovalhouse Theatre Limited trading as Brixton House**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**  
**Continued**

**8 Staff Costs**

Staff costs were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	491,902	364,095
Social security costs	47,816	36,090
Pension costs	15,108	10,664
	<u>554,826</u>	<u>410,849</u>

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

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Generating Funds	1	1
Youth arts and education	1	1
Theatre operations	4	2
Support	6	7
	<u>12</u>	<u>11</u>

There is no redundancy and termination payments included in Wages and salaries this year (2021: £7,532).

**Trustees and Key Management Personnel**

During the year, no trustees received any remuneration (2021 - £nil). No trustees received reimbursement of expenses in the current year (2021 - £nil).

During the year, no trustees received any benefits in kind (2021 - £nil).

The Senior Management Team are Gbolahan Obisesan Artistic Director/Joint CEO and Gary Johnson Executive Director/Joint CEO. The total employee remuneration of the charity's senior management team including pension costs for the year is £134,812 (2021: £130,416). There are no related party transactions in either year.

The number of employees whose emoluments exceeded £60,000 were:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
£60,000 - £70,000	1	-

Pension contributions to the above individual amounted to £1,963; (2021: £1,751)

**9a Intangible Fixed Assets**

	<b>2022</b>	<b>2021</b>
<b>Cost</b>		
At 1 April 2021	-	-
Additions	16,921	-
	<u>16,921</u>	<u>-</u>
<b>Ammortisation</b>		
At 1 April 2021	-	-
Charge for the year	-	-
	<u>-</u>	<u>-</u>
<b>Net Book Value</b>		
As at 31 March 2022	<u>16,921</u>	<u>-</u>
<b>As at 31 March 2021</b>	<u>-</u>	<u>-</u>

**9b Tangible Fixed Assets**

	<b>Freehold Property £</b>	<b>Plant &amp; Machinery £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2021	-	68,948	15,768	84,716
Additions	1,168,133	20,031	82,334	1,270,498
	<u>1,168,133</u>	<u>88,979</u>	<u>98,102</u>	<u>1,355,213</u>
At 31 March 2022				
<b>Depreciation</b>				
At 1 April 2021	-	17,327	13,360	30,687
Charge for the year	-	2,235	17,322	19,557
	<u>-</u>	<u>19,562</u>	<u>30,682</u>	<u>50,244</u>
At 31 March 2022				
<b>Net Book Value</b>				
As at 31 March 2022	<u>1,168,133</u>	<u>69,417</u>	<u>67,420</u>	<u>1,304,969</u>
<b>As at 31 March 2021</b>	<u>-</u>	<u>51,621</u>	<u>2,408</u>	<u>54,029</u>



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**10a Fixed Asset Investments**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Market Value</b>		
At 1 April 2021	132,505	107,160
Additions	3,350	3,284
Unrealised gain/(loss)	<u>11,407</u>	<u>22,061</u>
At 31 March 2022	<u><u>147,262</u></u>	<u><u>132,505</u></u>

**10b Investment at Market Value Comprise:**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Listed Investments	137,983	126,575
Other fixed asset investments - Deposit Fund	<u>9,280</u>	<u>5,930</u>
Total market value	<u><u>147,263</u></u>	<u><u>132,505</u></u>

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Material Investments</b>		
COIF Charities Investment Fund	<u><u>137,983</u></u>	<u><u>126,575</u></u>

**11 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	10,971	23,170
Other debtors	<u>82,441</u>	<u>59,428</u>
	<u><u>93,412</u></u>	<u><u>82,598</u></u>

**12 Creditors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	802,300	55,084
Taxation and social security	22,017	7,286
Pension	4,514	-
Other creditors	5,569	-
Accruals and deferred income	<u>144,458</u>	<u>87,537</u>
	<u><u>978,858</u></u>	<u><u>149,907</u></u>

Deferred income relates to membership and project income. £51,304 is included within accruals & deferred income (2021: Nil), and all was deferred within this year.

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Continued

**13 Unrestricted Funds**

	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	2022 £
<b>Designated Funds</b>						
J G Borough						
Investment Fund	132,505	3,350	-	-	11,407	147,262
	<u>132,505</u>	<u>3,350</u>	<u>-</u>	<u>-</u>	<u>11,407</u>	<u>147,262</u>
<b>General Funds</b>						
General Funds	136,658	554,952	(1,022,476)	196,569	-	(134,297)
	<u>136,658</u>	<u>554,952</u>	<u>(1,022,476)</u>	<u>196,569</u>	<u>-</u>	<u>(134,297)</u>
<b>Total Unrestricted Funds 2022</b>	<u>269,163</u>	<u>558,302</u>	<u>(1,022,476)</u>	<u>196,569</u>	<u>11,407</u>	<u>12,965</u>
	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	2021 £
<b>Designated Funds</b>						
J G Borough						
Investment Fund	107,160	3,284	-	-	22,061	132,505
	<u>107,160</u>	<u>3,284</u>	<u>-</u>	<u>-</u>	<u>22,061</u>	<u>132,505</u>
<b>General Funds</b>						
General Funds	8,713,448	601,160	(660,635)	(8,512,965)	(4,350)	136,658
	<u>8,713,448</u>	<u>601,160</u>	<u>(660,635)</u>	<u>(8,512,965)</u>	<u>(4,350)</u>	<u>136,658</u>
<b>Total Unrestricted Funds 2021</b>	<u>8,820,608</u>	<u>604,444</u>	<u>(660,635)</u>	<u>(8,512,965)</u>	<u>17,711</u>	<u>269,163</u>

The J G Borough Investment Fund was designated by the directors of the charity. It represents an investment fund started up from a legacy given by J G Borough. The fund was named in memory of J G Borough. It is the policy laid down by the board of Ovalhouse Theatre Limited that the capital funds may not be depleted, and that the value of the funds must be maintained in real terms. This is specifically so that income from the fund over and above that needed to maintain the value of the funds and meet their direct expenses can be made in annual grants to the charity.

For the duration of the Capital Campaign and up until the move into the new building, the board has decided that this fund will also be used to provide cash flow to the organisation in advance of donations, trust and foundations and lottery monies being received. It is the intention of the trustees for the fund to return to its primary purpose once this activity has been completed.

**Ovalhouse Theatre Limited trading as Brixton House**  
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**For the year ended 31 March 2022**  
**Continued**

**14 Restricted Funds**

		Brought forward	Income	Expenditure	Transfers in/(out)	Carried Forward 31 March 2022
		£	£	£	£	£
<b>Restricted Funds</b>						
<b>Learning and Participation:</b>						
Co op Foundation Lets Build	(1)	6,205	-	-	-	6,205
Demonstrate Project	(2)	-	45,342	(45,342)	-	-
Guys & St Thomas Imagining Future:	(3)	12,146	19,493	(31,639)	-	-
ACE: These Streets/Talk it Out	(4)	-	53,028	(53,028)	-	-
SOAR Project	(5)	-	-	(510)	-	(510)
ACE Covid Recovery Fund 1	(5)	26,957	-	-	(26,957)	-
Arts Council Recovery Fund 2	(6)	-	125,000	-	(125,000)	-
Arts Council Recovery Fund 3	(6)	-	125,000	-	(125,000)	-
Theatre Funded Project: Fathers	(7)	-	5,000	-	-	5,000
Total restricted funds other		<u>45,308</u>	<u>372,863</u>	<u>(130,519)</u>	<u>(276,957)</u>	<u>10,695</u>
Capital Project - Brixton	(6)	<u>8,594,906</u>	<u>1,149,840</u>	<u>(15,000)</u>	<u>80,388</u>	<u>9,810,134</u>
Total restricted funds 2022		<u><u>8,640,214</u></u>	<u><u>1,522,703</u></u>	<u><u>(145,519)</u></u>	<u><u>(196,569)</u></u>	<u><u>9,820,829</u></u>

		Brought forward	Income	Expenditure	Transfers in/(out)	Carried Forward 31 March 2021
		£	£	£	£	£
<b>Restricted Funds</b>						
<b>Learning and Participation:</b>						
Co op Foundation Lets Build		6,205	-	-	-	6,205
Demonstrate Project		-	-	(1,008)	1,008	-
Guys & St Thomas Imagining Futures		-	59,136	(46,990)	-	12,146
ACE Covid Recovery Fund 1		-	250,000	-	(223,043)	26,957
Total restricted funds other		<u>6,205</u>	<u>309,136</u>	<u>(47,998)</u>	<u>(222,035)</u>	<u>45,308</u>
Capital Project - Brixton		<u>(261,530)</u>	<u>195,338</u>	<u>(73,902)</u>	<u>8,735,000</u>	<u>8,594,906</u>
Total restricted funds 2021		<u><u>(255,325)</u></u>	<u><u>504,474</u></u>	<u><u>(121,900)</u></u>	<u><u>8,512,965</u></u>	<u><u>8,640,214</u></u>

Transfers out in the year are to bring funds in deficit up to £nil for those where no future income is expected. Proceeds from the sale of the Oval site have been transferred to fund the Capital project. Cultural Recovery Fund 2 & 3 grants were restricted to expenditure stated in the application. The funds were spent in accordance with the terms of the grant to fund theatre and artistic operations during the Covid-19 lockdown period to aid the recovery of the organisation.

**Ovalhouse Theatre Limited trading as Brixton House**  
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**14 Restricted Funds (continued)**

**(1) Coop Foundation**

Co op Foundation is a three year exploration into the impact of child loneliness through theatre and performance. The grant is funding a series of school workshops where children use arts activities to address issues around loneliness and isolation (especially for those making the transition from primary to secondary school). The final implementation has been delayed due to Covid 19 restrictions and delays on the construction of the theatre.

**(2) Demonstrate! Project:**

Demonstrate 2010 - present

Demonstrate is a unique dance-led participatory arts project for children and young people with autism and complex and profound disabilities that is run in partnership with the Corali Dance Company. Demonstrate has developed a practical, safe and exciting model for engaging young people with disabilities, especially those who may have challenging behaviours. Brixton House was successful in winning the tender extension for three years starting in January 2021. Covid-19 lockdown restrictions and delays in the theatre constructions affected activities during the year. We managed to deliver project offsite during the year. We look forward to the project being resident at Brixton House.

**(3) Guys & St Thomas (Imaging Futures)**

Imaging Futures is a three year project which consist of 30-week group workshop programmes combining mental wellness strategies and arts practice for young women aged 14 to 18, living in Lambeth or Southwark. The project supports young women whose immediate and longer-term mental health may be affected by issues including emotional distress, self-harm, social or school exclusion, exploitation, vulnerability, trauma and deprivation. The project uses arts skills combined with evidenced-based Dialectical Behaviour Therapy (DBT) skills and mindfulness to support mental wellness and resilience in participants and to promote creativity and engagement in the arts. Due to covid-19 restrictions there was a delay in implementation and completion of activities. The project came to an end in July 2021.

**(4) ACE: These Streets/Talk it Out**

The project was done in collaboration with Non Zero One and All Seeing Eyes, to enable the organisation to build links between the Arts and those working within areas of technology and digital production. The project aimed to develop new ways of working within theatre and participatory work.

**(5) SOAR Project**

Funded by Lambeth Council. Our Soar Creative Careers programme is for young people and young adults aged between 13 to 25 years interested in working in the performing arts sector and looking for creative work experience opportunities. Had to be postponed to 2022/23 due to Covid-19 restrictions which is why the fund is in deficit at year end.

**(6) DCMS Covid Recovery Fund Round 1, 2 & 3**

The charity was successful in securing £250,000 by way of a government grant under round 1 to assist with Covid-19 virus related expenditure, redundancy and staff costs as well as reinflating our reserves. Ovalhouse managed to secure an additional £125,000 each under round 2 and 3. These grants were to help the organisation navigate the challenging Covid-19 period. Transfers out in the year represents utilised in the year.

**(7) Capital Project - Brixton**

Donations received through our Capital Fundraising Campaign to raise funds for our new building in Brixton.

The transfers out of restricted funds reflect the contributions to general overheads borne by each restricted fund. The transfers into restricted funds reflect the programme costs borne by unrestricted funds.

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**15 Analysis of Net Assets Between Funds**

	Restricted funds	Unrestricted funds	Total funds 2022
	£	£	£
Intangible Assets	-	16,921	16,921
Tangible fixed assets	-	1,304,969	1,304,969
Fixed asset investments	-	147,263	147,263
Current assets	9,820,829	(477,330)	9,343,499
Creditors due within one year	-	(978,858)	(978,858)
	<u>9,820,829</u>	<u>12,965</u>	<u>9,833,794</u>

  

	Restricted funds	Unrestricted funds	Total funds 2021
	£	£	£
Tangible fixed assets	-	54,029	54,029
Fixed asset investments	-	132,505	132,505
Current assets	8,640,214	232,536	8,872,750
Creditors due within one year	-	(149,907)	(149,907)
	<u>8,640,214</u>	<u>269,163</u>	<u>8,909,377</u>

**16 Operating Leases**

At the reporting end date the charity had the following future total lease payments under non-cancellable operating leases which fall due as follows:

	2022 Other Equipment £	2021 Other Equipment £
Within 1 year	6,158	4,178
1 to 5 years	<u>11,842</u>	<u>6,615</u>
	<u>18,000</u>	<u>10,793</u>