

# **Red Ladder Theatre Company Limited (The)**

Charity number 1037653

A company limited by guarantee number 01258679

## **Annual Report and Financial Statements for the year ended 31 March 2020**

The logo for Red Ladder Theatre Company. The word 'RED' is positioned above 'LADDER'. Both words are rendered in a bold, red, sans-serif font. The letters 'E' in both words are stylized with three horizontal bars. Below 'LADDER' is the text 'THEATRE COMPANY' in a smaller, red, sans-serif font.

**RED  
LADDER**  
THEATRE COMPANY



West Yorkshire Community Accounting Service

# **Red Ladder Theatre Company Limited (The)**

## **Annual Report and Financial Statements for the year ended 31 March 2020**

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**Prepared by West Yorkshire Community Accounting Service**

# **Red Ladder Theatre Company Limited (The)**

## **Trustees' report for the year ended 31 March 2020**

### **Reference and administrative details of the charity, its trustees and advisors**

The trustees during the financial year and up to and including the date the report was approved were:

<b>Name</b>	<b>Position</b>	<b>Dates</b>
Tessa Gordziejko	Chair	
Martyn Potter		
Dan Bye		
Ben Rothera		
Craig Jefferies		
Emma McDowell		
Jamie Jones-Buchanan		
Lucinda Yeadon		
Amy Leach		
<b>Company Secretary</b>	Chris Lloyd	
<b>Charity number</b>	1037653	Registered in England and Wales
<b>Company number</b>	01258679	Registered in England and Wales
<b>Registered and principal address</b>	<b>Bankers</b>	
3 St Peters Building	The Co-operative Bank	
York Street	19/20 Commercial Street	
Leeds LS9 8AJ	Leeds LS1 6AL	

### **Independent examiner**

Simon Bostrom FCIE

### **West Yorkshire Community Accounting Service**

Stringer House  
34 Lupton Street  
Leeds  
LS10 2QW

### **Structure, governance and management**

The charity is a company limited by guarantee and was formed on 17 May 1976. It is governed by a memorandum and articles of association as amended by special resolution 20 January 1994 and 5 November 2015. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £1.

### **Method of recruitment and appointment of trustees**

The management of the company is the responsibility of the Management committee members who are elected and co-opted under the terms of the company's governing documents. One third of the directors/trustees retire annually by rotation and are eligible for re-election. The constitution of the Committee is regularly reviewed and new appointments made after discussions regarding suitability for the specific need of the company.

### **The charity's objects**

The Company is established 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, mime, dance, singing and music, and to formulate, prepare and establish schemes therefor provided that all objects of the Company shall be of a charitable nature.

# **Red Ladder Theatre Company Limited (The)**

## **Trustees' report (continued) for the year ended 31 March 2020**

### **Policies adopted for the induction and training of Management committee**

Red Ladder Theatre Company (RLTC) recognises that the breadth of perspectives and experiences that diversity at board level can offer leads to a more resilient, inclusive and relevant organisation. To that end, the following information is made publicly available on their dedicated governance pages ([redladder.co.uk/about/governance](http://redladder.co.uk/about/governance)) to act as a resource for current and prospective trustees.

#### **RLTC governance & management**

- Details of the RLTC governing document & copy of articles of association
- Role description for trustee & code of conduct
- Links to key company policies
- Staff & Board Member biographies
- Contact details for prospective board members to hear more

#### **Additional Charity governance resources**

- Link to RLTC Charity Commission Report
- Link to The Essential Trustee (CC3), a publication by the Charity Commission detailing main duties of a charity trustee, as well as additional resources providing guidance on public benefit, decision making, annual reports, expenses, conflicts of interest, disagreements and disputes, board recruitment, resignation and removal, digital work and charity governance, finance and resilience, risk management and safeguarding young people
- Link to Charity Governance Code, and Voluntary Action Leeds factsheets
- Glossary of terms

They may also meet one or more Board Members in advance, to hear more about what being a Board Member involves and be encouraged to ask further questions. Prospective Board Members are then invited to the next Board Meeting as an observer.

On acceptance from both parties the new Board Member will be invited to attend the following Board Meeting, at which they will be voted on to the Board. They will then be issued with a full induction pack, which includes the following information:

- Companies House / Charity Commission recruitment paperwork
- Co-op bank declaration form 3b for new Board members (for protection against money laundering)
- Most recent Trustee's report and annual accounts, and minutes from the last AGM
- Most recent business plan
- Minutes from the last 3 board meetings (incl. latest artistic, fundraising, marketing, press reports)
- A Declaration to sign to confirm understanding of the above information and of the expectations and duties of a Board Member and/or acceptance of the Trustee's code of conduct

In addition to the information provided above, it is expected that additional resource and/or information will be needed to accommodate any additional access needs of prospective board members, to be mutually agreed between prospective board members and the existing board on a case-by-case basis. RLTC is also committed to supporting all board members to carry out their duties effectively, e.g. board members will be offered the opportunity to attend board training through a qualified body.

The Company Secretary will issue the following forms:

Bank declarations form 3b for new Board members (for protection against money laundering) for all accounts.

The new Board member will also complete an RLTC new trustee declaration form to ensure their suitability as a Board member.

# **Red Ladder Theatre Company Limited (The)**

## **Trustees' report (continued) for the year ended 31 March 2020**

### **Organisational structure and decision making**

The Trustees meet at least four times a year and are responsible for the strategic direction and policy of the company. The day to day responsibility for the company is delegated to the Senior Management Team of Red Ladder Theatre Company which, currently, comprises an Artistic Director and a Producer.

### **Related party relationships**

Red Ladder Theatre Company has a strong, positive relationship with Arts Council England, the major funder of Red Ladder. Red Ladder's assigned officer from ACE Yorkshire is regularly kept informed of the artistic direction and ambition of the company and is an occasional observer at Board Meetings. ACE England continues to be extremely supportive of the charity and receives board papers and minutes of Trustee meetings (See Risk Management - Section g. below).

Leeds City Council has elected an ex-officio representative to receive Board papers and attend Board meetings. Leeds City Council did not award a grant for the year in question, but is supportive of the company, and is regularly updated on artistic progress.

### **Risk management**

The Management Committee members have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The COVID-19 pandemic outbreak has had a profound impact on the industry and the world at large. Red Ladder's response is noted below.

That apart there have been no other major incidents to report during this financial period.

The company has comprehensive IT cover both remotely and onsite with virus cover through the server and for all incoming emails and web usage.

The company also has a robust Financial Control Procedures in place. A Finance Sub-committee meets prior to board meetings to discuss the latest figures, add some context and report back to the board. This has the advantage of crystallising the information for board members which reduces duplication during meetings.

In order to help members govern, monthly cash flows are circulated together with updated budgets and any new opportunities and/or threats that arise.

The reserves policy is to ensure there are sufficient reserves available to finance adequately, for at least three months, the operation of the company in the event of unforeseen circumstances. This reserve may be depleted to satisfy scheduled temporary liquidity deficiencies. Currently three months trading equates to £60,000 and this is updated on a monthly basis and is calculated on a rolling annual time line.

Towards the end of the financial year the ever growing threat of the Coronavirus cast a severe shadow of the UK with governmental advice given on 16 March 2020 for everybody in the UK to work from home and avoid pubs and restaurants. Just prior to that announcement the decision was taken to postpone the remainder of Red Ladder tour of Smile Club. This affected 17 performances in 16 different venues nine of which were non-traditional venues.

This course of action had been ratified at a meeting of the Trustees on Thursday 12 March 2020 with the impact assessed of postponing the Smile Club tour plus forthcoming performances of Wrong 'Un, The Damned United and the co-production with Leeds Playhouse and Wrongsemble – The Not So Ugly Sisters. The loss of standing and respect within the industry was discussed and, as a result, it was agreed that all contracts for cast and crew would be honoured in full. Financially the net loss was in the region of £25,000 through loss of box office and fees and payment of the casts and crew. Subsequently, the decision has been made, to honour all freelance current hours and pay scales until the end of June 2020. This will be assessed on a monthly basis with governmental advice taken in to account. This was subsequently extended until the end of the financial year - 31 March 2021. Two out of the three PAYE staff were furloughed as from 1 May 2020 in order to protect and bolster the company financially as much as possible. Both staff were phased back in to work and, as of 1 November 2020 were back on full hours. The Arts Council of England's response to the growing crisis was to relax reporting conditions and service level agreements as well as extending the National Portfolio (of which Red Ladder is one) by an extra year – up to the end of March 2023.

# **Red Ladder Theatre Company Limited (The)**

## **Trustees' report (continued) for the year ended 31 March 2020**

### **Risk management - continued**

In order to mitigate this loss an application to the Arts Council for emergency funds for £35,000 and also a request has been made to Leeds City Council for a grant under the small business award scheme. Neither of these applications were successful and the only non-furlough income was an award of £2,448 from Leeds City Council towards small business fixed business costs.

During the financial year to date the finance committee and Trustees have received monthly cash flow forecasts and there have been two budget updates since the original budget was approved in February 2020. Currently the company has committed £69,000 of the accumulated unrestricted reserves of £155,027 to support the work of the company through 2020/2021

### **Staffing**

Red Ladder continues to have two members of staff on full time salary throughout the 2019/2020 financial year - Artistic Director and Producer and the Marketing Manager (Sasha Hawkes) on payroll on a 0.5 FTE basis. During the year Sasha went on maternity leave returning in April 2020. Sasha's maternity was covered by Emma McDowell, who took a sabbatical from her Trustee duties, and Sam McKay in tandem. In May 2020 the Artistic Director and Marketing Manager both went on full time furlough leave with Red Ladder committing to paying their contracted salaries in full. In July 2020 a phased return to work was instigated and in November 2020 both employees were back up to full working hours.

There were a further nine part time freelancers supporting the work of the company covering marketing, Press and PR; social media, producing, fundraising and Strategic Touring project management (x 2), Audience Development and Evaluation. Also during the year Amanda Trickett (Press & PR) took maternity leave.

We are thrilled to say that both Amanda & Sasha gave birth to their second child – both girls!

### **Objectives and activities**

#### **Red Ladder Mission:**

Our mission is to make theatre which:

- Unites communities across the UK in the face of severe austerity and societal inequalities.
- Tells stories of human struggle

The overarching aims of the company will be reviewed annually throughout the 2018 – 2022 funding period, and currently have been specified as:

- To harness internal artistic expertise and work with exceptional, innovative collaborators to create relevant, subversive theatre of outstanding quality.
- To embed equality and diversity at the heart of all our work as a means to reach and represent diverse audiences of contemporary Britain.
- To improve our understanding of different access requirements and prioritise access and inclusivity within our artistic programme wherever possible.
- To effectively monitor and increase audience development throughout the funding period, adapting and recalibrating our strategy as required.
- Maintain and strengthen our profile as a national touring theatre company through frequent and strategic studio tours and healthy, positive relationships with key presenting venues.
- To nourish new work and create professional and artistic development opportunities for early-career artists or people pushing the boundaries of current theatre practices.
- To continue to develop a clear and achievable fundraising model to maximise the impact and sustainability of our work.

These aims are the lenses through which we see our entire programme of work and have driven all company activity for the year April 2019 – March 2020. They will continue to guide the direction of the company and inform our trajectory throughout the NPO funding period and beyond.

# **Red Ladder Theatre Company Limited (The)**

## **Trustees' report (continued) for the year ended 31 March 2020**

### **Strategies for achieving objectives**

Commissioning new writing with writers who share our vision for making theatre which seeks to provoke debate and create in audiences a desire for social change. Offering free actor training courses and further opportunities wherever possible; involving them directly in the making of new pieces of theatre.

### **Activities for achieving objectives**

Post show chat- backs and data capture forms provide valuable feedback from audiences on the work. Rehearsed readings allow writers to get an informed perspective on their work at an early stage. Evaluation is a key element and is an integral part of the fabric of each project.

## **Achievements and performance - review of activities**

### **Artistic Programme**

#### **Glory by Nick Ahad**

This new play, written by Leeds playwright Nick Ahad, was a co-production with The Dukes Theatre Lancaster. The show was set in a run-down wrestling gym which became a metaphor for divided pre-Brexit Britain. Jamie Smelt, a regular Red Ladder actor (The Damned United, Shed Crew, Playing the Joker and Leeds Lads) played the role of Jim Glory and the other three roles were performed by a diverse cast of Josh Hart (British East Asian), Ali Azhar (French Moroccan) and Johua Lyster (Mixed heritage Afro-Caribbean British). The show toured nationally including to some venues new to the company (or where we have not played for several decades) and it also played some of the Red Ladder Local venues – Belle Isle WMC, Cluntergate Centre and Albion Electric Warehouse. This show was made at the end of the previous year and toured into 2019-20 straddling two programmes to fit the production rhythm of our partners The Dukes Theatre Lancaster.

#### **The Life and Soul by Chris O'Connor**

In the summer of 2019 we remounted this solo show with an actor who had not had the benefit of Drama School training, Tom Swift had started his training on the Red Ladder Red Grit training in 2016 and had performed in the community production Leeds Lads. Since then he had performed in community chorus roles in The Shed Crew, Mother Courage and several chorus roles in Leeds Playhouse productions. The Life and Soul was his first professional role and as a 40 minute monologue was the perfect challenge as on the job training. He performed the show several times including at the Farsley Constitutional and in Priesthorpe School.

#### **The Parting Glass by Chris O'Connor**

In autumn 2019 Chris O'Connor was commissioned to further develop The Life and Soul into a two hander to include the surviving girlfriend after Jim's suicide. This was to respond to audiences who had enjoyed the first play but requested that we develop the piece to include those left behind after suicide and to show their trauma. Tom Swift auditioned and was successful to carry the project forward from The Life and Soul and BAME performer Alyce Liburd took the new role of Sara. After a fairly short rehearsal period the new show toured across Leeds into venues run by mental health charities funded by Leeds City Council's suicide awareness programme. The show also toured across venues on the Red Ladder Local touring circuit. A senior NHS mental health nurse toured with the show to chair question and answer sessions after each performance. Men's Groups and Mental Health Support Groups also had private performances of the piece and it was very well received. Tom's performances were very strong and his development as a professional actor continued. He has since gained further professional work beyond Red Ladder.

#### **Smile Club by Andrea Heaton & Adam Z Robinson**

Early in 2020 Red Ladder co-produced a new piece of work by Andrea Heaton and Adam Z Robinson. Both writers had been developing the one woman show entitled Smile Club for eighteen months before and the show was ready for final drafting and production so that it could be ready for national and local touring. Red Ladder had the infrastructure and further support to add to the Grants for the Arts that Andrea submitted and at the end of the 2019-2020 year we were able to rehearse and build the piece ready for touring. The writing and submission of this Arts Council Grant was supported by Red Ladder. The technical rehearsals were held in the new studio theatre on the Quarry Hill campus of Leeds City College before opening very successfully in the new Leeds Playhouse Bramall Rock Void studio space. The show was critically acclaimed, gaining a four star review in The Guardian and completed the first week of the tour before the Covid-19 pandemic forced the postponement of the tour. We aim to complete the tour at a future date.

# **Red Ladder Theatre Company Limited (The)**

## **Trustees' report (continued) for the year ended 31 March 2020**

### **Participation and Engagement**

#### **Actor and Movement Masterclass**

Rod Dixon ran a masterclass on Embodiment for professional actors in June 2019. Actors came from across the UK to participate in the workshop which contributed to Rod's own research into techniques to find authenticity and presence on stage. The workshop was also designed to further understand the neurological effects of using the Whelan Technique for learning scripts which Rod has used on all Red Ladder productions since 2018.

#### **Red Grit Training**

Two full 8 session courses of actor training were held at Gipton Working Men's Club with a diverse group of adults attending and enjoying the course. This included an undergraduate who was on a six-month placement with the company. The first course was held in summer 2019 and the second in autumn. The course in the autumn attracted actors in training from across the region (as far as York) who had heard of the course across theatre networks. In the autumn there were also several total beginners and it is a strength of the course that it can be this inclusive and still useful at all levels.

#### **Key Developments for Red Ladder Theatre Company**

The company has had considerable success in developing the Red Ladder Local touring circuit across Barnsley, Wakefield and Leeds and a very detailed evaluation report was submitted to gain the final instalment of Arts Council Strategic Touring funds. The audience figures for shows toured on this circuit justify Red Ladder including this work in the next National Portfolio application especially as the next Arts Council strategy, entitled Let's Create very much centres on how arts organisations should focus their work on communities and grassroots engagement.

#### **Collaborations and Partnerships**

The Red Ladder Local circuit has cemented excellent relations with the three hub venues (Wakefield Theatre Royal, Barnsley Civic and Leeds Playhouse) who support the scheme through their marketing and box office departments.

The relationship with Leeds Playhouse goes from strength to strength with Smile Club, premiering in their new space – The Bramall Rock Void in March 2020. Unfortunately after only a week this tour was cancelled due to the Coronavirus pandemic. The show was technically rehearsed in the new studio theatre at Leeds City College in the Quarry Hill campus. Students were available to support us and they watched a free preview of the show as well as responding to a design challenge. A crew of students helped with the get out and then the fit up at Leeds Playhouse. They were keen to help on tour in the Leeds community venues. We intend to build on this fruitful new relationship.

Our plans for 2021 centre upon several new and important partnerships. In May 2021 we will begin rehearsals for Homebaked: The Musical in co-production with Liverpool's Royal Court and Oldham Coliseum. This new and large scale piece of work is being developed as of April 2020 with playwright Rebecca Harrison and composer and long term Red Ladder collaborator Boff Whalley. The show tells the real life account of how local people in Anfield fought poverty and housing evictions by setting up a community run business in the bakery across the road to Anfield, Liverpool FC's stadium. It is an uplifting story of hope and unity and an ambitious project that we have high hopes for.

#### **Future Developments**

In the immediate future we intend to respond to the end of the pandemic lockdown by remounting some recent (and established ) Red Ladder hit shows - gathering all the actors involved and rehearsing quickly so that we can offer product quickly where theatre buildings have very thin programmes due to cancellations. So the following shows will be prepared for ghost tours with the intention that they can be remounted quickly: The Damned United (already booked by York Theatre Royal and Hull Truck), Wrong Un, Smile Club and The Parting Glass.

# **Red Ladder Theatre Company Limited (The)**

## **Trustees' report (continued) for the year ended 31 March 2020**

### **Future Developments - continued**

We are also co-producers on a family show made by local company Wrongsemble. Their show, *The Not So Ugly Sisters*, is booked to tour late Autumn and we will support that tour provided it can go ahead.

We have also been in research with Mad Dog Dance Theatre and Spin Arts to look at a new piece called *Taxi!* to be written by Andrea Heaton and performed by dancers and actors. This will tour in Autumn 2021.

The pandemic is likely to hit live theatre quite hard but we are confident that as a fairly lean organisation we can bounce back quite quickly. Our local circuit can ideally bring theatre right into the heart of communities and if the lockdown is relaxed in stages, with small gatherings admissible at first, then our small scale productions with high production quality, are more likely to be ready as soon as required.

We started conversations with a young Black writer from Stockport, Nana-Kofi Kufuor in early January 2020. Oldham Coliseum were originally going to co-commission a new play written by him, *My Voice Was Heard But It Was Ignored*, with a view to co-producing and opening in Oldham and then touring nationally as well as on the Red Ladder Local circuit in the spring of 2021. We have made the decision to bring this production forward to the autumn of 2020 as our statement in response to the murder of George Floyd. As we were already programming this piece it makes total sense to produce the play at this point as Leeds Playhouse are working with us to stage the world premiere at the end of November 2020. As the pandemic has really taken hold and theatres have suffered huge losses the co-production with Oldham has not materialised so are going alone on the project.

### **Financial review**

#### **Financial results**

The net income for the year was £140,409, all relating to unrestricted funds.

#### **Principal funding**

Principal funding was received from Arts Council England, England via National Portfolio funding and Strategic touring funds, Leeds Inspired strategic funding, The Paul Hamlyn Foundation, The Home Office, Wades Charity and earned income. A summary of funding is set out in note 2 to the financial statements.

#### **Reserves policy**

The reserves policy is to ensure there are sufficient reserves available to finance adequately, for at least three months, the operation of the company in the event of unforeseen circumstances. This reserve may be depleted to satisfy scheduled temporary liquidity deficiencies. Currently three months trading equates to £60,000 and this is updated on a monthly basis and is calculated on a rolling annual time line.

This is a minimum requirement to mitigate an unexpected financial emergency. The Management recognise that in times of particular funding uncertainty around our core funder, it is prudent to build reserves above this to enable the company to survive and deliver our mission in the event of loss of a major element of our grant income and it has therefore been a stated aim to rebuild company reserves over the current Arts Council funding period, to bring them to a level which would withstand such longer term changes to our business model. The ambition is sustain reserves that allow the company to function fully for a one year period outside of the Arts Council of England's National Portfolio and this has been set at £115,000. The company had succeeded in this during the year to 31 March 2020, and reserves at year end stand at £155,027.

The revised budget for 2020 / 2021 shows the utilisation of approximately £69,000 of reserves on the charity's artistic programme but in light of the effects of the coronavirus pandemic there may be a further reduction in the reserves over the course of the year but the ambition is to then reverse this in 2021/2022 and aim for the £115,000 target.

#### **Covid-19 and going concern**

Whilst the activities of the charity have been affected by the coronavirus pandemic, the trustees have considered the financial position of the charity and concluded that there are no material uncertainties so significant as to cast doubt over the ability of the charity to continue as a going concern.

# **Red Ladder Theatre Company Limited (The)**

## **Trustees' report (continued) for the year ended 31 March 2020**

### **Chair's statement**

The Board of Trustees present this report as an accurate representation of activity which has been delivered during the financial year in question.

During the year Red Ladder produced and presented three new productions touring to the mixed network of theatres and community venues which has been developed over recent years as a specific touring strategy. The work has all been received to high critical acclaim, engaged audiences in issues and subjects which align with the company's mission and continued to grow the diversity of Red Ladder's work, on stage and across the creative teams.

The company has successfully met its aim of starting to rebuild a secure level of financial reserves after the previous depletion of funds during the period during which the company's core Arts Council Funding was withdrawn. Board and staff have monitored and managed cash flow regularly and invested the Company's charitable funds to maximise the realisation of its mission and charitable objects.

The company continues to strengthen governance over the year and has initiated an audit of all policies, with a timescale for review and updating each existing policy, and the writing of new policies which support the company's working practices.

Rod Dixon and Chris Lloyd continue to lead and manage the company with a high level of vision, commitment and professionalism, supported by a strong team of freelancers who contribute to the successful delivery of Red Ladder's programme and strategic planning for the future.

The company has appointed a new independent examiner for the financial year 2019/20, West Yorkshire Community Accounting Service (WYCAS), with the aim of strengthening our accounting practices as a registered charity. The Trustees have overseen the presentation of management and year end accounts with prudence and consistency, and are guided by our new accountants on putting in place the best systems to ensure full compliance with statutory charitable accounting principles.

The end of the financial year has been overshadowed by the national state of emergency caused by the COVID19 virus, which brought to a premature end what promised to be a highly successful national tour. The Board of Trustees have worked with staff to ensure that the company recognises and retains the dedication of its core and freelance staff and artists by honouring commitments made to them. The Board continues to meet regularly online to monitor and review plans which will safeguard Red Ladder's future in an environment of unprecedented uncertainty and threat to the sector and to wider society.

At this challenging time, I thank the Red Ladder staff and fellow Trustees in helping make the year successful and responding to recent events with resilience and rigour.

Tessa Gordziejko - Chair & Trustee

# **Red Ladder Theatre Company Limited (The)**

## **Trustees' report (continued) for the year ended 31 March 2020**

### **Statement of trustees' responsibilities**

The trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees report and the financial statements in accordance with the applicable law and UK Accounting Standards.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the accounts on a 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS102)), and in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Signed on behalf of the board of trustees:

Signed.....Tessa Gordziejko..... (Trustee)

Date.....18/11/2020.....

# **Red Ladder Theatre Company Limited (The)**

## **Independent examiner's report to the trustees of Red Ladder Theatre Company Limited (The)**

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 March 2020, which are set out on pages 12 to 19.

### **Responsibilities and basis of report**

As the charity's trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **Independent examiner's statement - matter of concern identified**

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act.

I confirm that I am qualified to undertake the examination because I am a fellow of ACIE which is one of the listed bodies.

I have completed my examination. I have identified a matter of concern in my report because I have concerns that there has been material expenditure in relation to the Strategic Touring project incurred in the previous financial year which had been attributed to general funds as opposed to the grants which financed that project. The financial statements prepared for the previous year did not show restricted and unrestricted funds separately and the Charities SORP had not been followed in terms of grant income recognition; rather unspent balances on restricted grants were deferred. The cumulative effect of these individual issues was to understate the charity's unrestricted funds by a material amount. Whilst it is not possible to establish that amount accurately, in the current year a transfer of £70,934 was required to rectify the position this year. I am satisfied that the trustees are putting systems in place to ensure that expenditure is correctly attributed at the right time within the day to day accounting system and that future financial statements will be prepared in accordance with the Charities SORP in terms of restricted fund accounting and grant income recognition.

I confirm that no other matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4 the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: .....Simon Bostrom.....

Relevant professional qualification or body: FCIE

Date: .....20/11/2020.....

### **West Yorkshire Community Accounting Service**

Stringer House  
34 Lupton Street  
Leeds  
LS10 2QW

**Red Ladder Theatre Company Limited (The)**  
**Statement of Financial Activities**  
**(including summary income and expenditure account)**  
**for the year ended 31 March 2020**

	Notes	2020 Unrestricted funds £	2020 Restricted funds £	2020 Total funds £	2019 Total funds £
<b>Income from:</b>					
Grants and donations	(2)	169,007	161,409	330,416	207,761
Theatre tax relief		35,980	-	35,980	27,031
Income from performances		15,539	-	15,539	85,031
Other earned income		13,500	-	13,500	-
Bank interest		449	-	449	93
<b>Total income</b>		<b>234,475</b>	<b>161,409</b>	<b>395,884</b>	<b>319,916</b>
<b>Expenditure on:</b>					
<b>Production costs</b>					
Performing and stage management fees		22,826	9,811	32,637	78,093
Auditions		101	55	156	1,708
Sets props and costumes		12,361	791	13,152	13,913
Venue and rehearsal room hire		4,050	900	4,950	600
Creative fees		9,939	1,625	11,564	16,004
Technical equipment hires and consumables		1,955	-	1,955	551
Writers' fees, royalties and commissions		9,286	47	9,333	8,768
Accommodation, allowances and travel		4,561	1,002	5,563	16,781
Evaluation and monitoring		6	9,575	9,581	10,050
Production miscellaneous		2,863	592	3,455	3,598
<b>Marketing and publicity</b>		<b>22,513</b>	<b>9,463</b>	<b>31,976</b>	<b>27,250</b>
<b>Overheads</b>					
Salaries, NI and pensions	(3)	45,444	49,453	94,897	89,788
Rent and rates		4,334	-	4,334	4,328
Insurance		1,434	-	1,434	1,409
Repairs and maintenance		6	-	6	1,496
Phone and internet		1,728	-	1,728	1,717
Computer software and maintenance		3,471	-	3,471	5,417
Printing, postage and stationery		356	-	356	438
Trade subscriptions		965	-	965	672
Sundry expenses		604	-	604	304
Motor expenses		1,703	-	1,703	1,879
Travel and subsistence		1,126	-	1,126	664
Consultancy fees		8,985	7,161	16,146	20,193
Training and conferences		1,345	-	1,345	89
Bank charges		25	-	25	23
Independent examination		2,045	-	2,045	1,700
Depreciation		968	-	968	5,203
<b>Total expenditure</b>		<b>165,000</b>	<b>90,475</b>	<b>255,475</b>	<b>312,636</b>
<b>Net income / (expenditure)</b>		<b>69,475</b>	<b>70,934</b>	<b>140,409</b>	<b>7,280</b>
<b>Transfers between funds</b>		<b>70,934</b>	<b>(70,934)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>140,409</b>	<b>-</b>	<b>140,409</b>	<b>7,280</b>
<b>Fund balances brought forward</b>		<b>18,286</b>	<b>-</b>	<b>18,286</b>	<b>11,006</b>
<b>Fund balances carried forward</b>	(4)	<b>158,695</b>	<b>-</b>	<b>158,695</b>	<b>18,286</b>

All incoming resources and resources expended derive from continuing activities.

# Red Ladder Theatre Company Limited (The)

## Balance sheet

as at 31 March 2020

	2020	2020	2020	2019
	Unrestricted	Restricted	Total	Total
	£	£	£	£
<b>Fixed assets</b>				
Tangible assets	(5) 3,668	-	3,668	4,416
<b>Total fixed assets</b>	<u>3,668</u>	<u>-</u>	<u>3,668</u>	<u>4,416</u>
<b>Current assets</b>				
Stock (work in progress)	-	-	-	23,518
Debtors and prepayments	(6) 18,833	-	18,833	59,922
Cash at bank and in hand	(7) 145,418	-	145,418	55,937
<b>Total current assets</b>	<u>164,251</u>	<u>-</u>	<u>164,251</u>	<u>139,377</u>
<b>Current liabilities:</b>				
<b>amounts falling due within one year</b>				
Creditors and accruals	(8) 9,224	-	9,224	125,527
<b>Total current liabilities</b>	<u>9,224</u>	<u>-</u>	<u>9,224</u>	<u>125,527</u>
<b>Net current assets / (liabilities)</b>	<u>155,027</u>	<u>-</u>	<u>155,027</u>	<u>13,850</u>
<b>Net assets</b>	<u>158,695</u>	<u>-</u>	<u>158,695</u>	<u>18,266</u>
<b>Funds</b>				
Unrestricted funds	158,695	-	158,695	18,286
Restricted funds	-	-	-	-
<b>Total funds</b>	<u>158,695</u>	<u>-</u>	<u>158,695</u>	<u>18,286</u>

For the year ending 31 March 2020 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476. The trustees (who also the directors for the purposes of company law) acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and with FRS 102 (effective January 2019).

The financial statements were approved by the board of trustees on

Date: .....18/11/2020.....

Signed: .....Tessa Gordziejko.....

(Trustee)

# **Red Ladder Theatre Company Limited (The)**

## **Notes to the accounts**

### **for the year ended 31 March 2020**

#### **1 Accounting policies**

##### **Basis of accounting**

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and with the Charities Act 2011.

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

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

##### **Going concern**

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

##### **Incoming resources**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

##### **Grants and donations**

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

##### **Expenditure and liabilities**

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

##### **Taxation**

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

##### **Tangible fixed assets**

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Lighting, sound and visual equipment: at 25% reducing balance

Motor vehicles: over 5 years, straight line

Office equipment: at 25% reducing balance

Computer equipment: written off in the year

# **Red Ladder Theatre Company Limited (The)**

## **Notes to the accounts**

### **for the year ended 31 March 2020**

#### **1 Accounting policies continued**

##### **Pensions**

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

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

##### **Leases**

Rents under operating leases are charged on a straight line basis over the lease term or to an earlier date if the lease can be determined without financial penalty.

**Red Ladder Theatre Company Limited (The)**  
**Notes to the accounts continued**  
**for the year ended 31 March 2020**

2 Grants and donations	2020		2019	
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Arts Council England (ACE)	165,000	109,167	274,167	195,450
Leeds Community Foundation	-	10,000	10,000	-
Home Office (Building a Stronger Britain)	-	15,242	15,242	-
Paul Hamlyn Foundation	-	24,000	24,000	-
Wades Charity	-	3,000	3,000	-
Other donations	4,007	-	4,007	12,311
	<u>169,007</u>	<u>161,409</u>	<u>330,416</u>	<u>207,761</u>

3 Staff costs and numbers	2020		2019	
	£		£	
Gross salaries	84,952		78,880	
Social security costs	5,937		5,367	
Pensions	4,008		5,541	
	<u>94,897</u>		<u>89,788</u>	

The average number employees during the year was 3, being an average of 2.5 full time equivalent (2019: 3, 2.5 FTE). There were no employees with emoluments above £60,000.

Defined contribution pension scheme	2020	2019
	£	£
Costs of the scheme to the charity for the year	4,008	5,541
Amount of any contributions outstanding at the year end	334	827

4 Restricted funds	Balance b/f	Incoming	Outgoing	Transfers	Balance c/f
	£	£	£	£	£
Home Office	-	15,242	15,242	-	-
ACE strategic tour fund					
ACE grant	-	109,167	65,233	(43,934)	-
Leeds Community Foundation	-	10,000	10,000	-	-
Paul Hamlyn Foundation	-	24,000	-	(24,000)	-
Wades Charity	-	3,000	-	(3,000)	-
	<u>-</u>	<u>161,409</u>	<u>90,475</u>	<u>(70,934)</u>	<u>-</u>

Explanation of fund purposes overleaf

**Red Ladder Theatre Company Limited (The)**  
**Notes to the accounts continued**  
**for the year ended 31 March 2020**

**4 Restricted funds continued**

<b>Fund name</b>	<b>Purpose of restriction</b>
Home Office	Funding from the Home Office, Leeds Community Foundation.

The following 4 grants constituted the ACE strategic touring project - a programme of high quality, accessible performances in the Yorkshire area presenting new and tailor made performances in pubs, social clubs and sports clubs in areas of social deprivation and poverty to develop new audiences across the region.

ACE grant	Providing the core funding for the strategic touring project.
Leeds Community Foundation	Men's Suicide Prevention Grants. The project will raise awareness of men's mental health issues in Leeds via theatrical performances, facilitated by post show discussions and access to the performance remotely.
Paul Hamlyn Foundation	To add value to the strategic touring project but extend the remit to test whether non-traditional venues could sustain the initiative without Red Ladder intervention and subsidy.
Wades Charity	To support strategic touring in Gipton, East Leeds.

The transfers from 3 of the funds above relate to expenditure incurred in the previous year which had not been attributed to restricted funds in the statutory accounts.

These transfers bring the fund balances to the correct position at the year end.

**5 Tangible assets**

	Computer equipment	Office equipment	Motor vehicles	Lighting and sound	Total
<b>Cost</b>			£	£	£
At 1 April 2019	34,446	7,263	800	110,793	153,302
Additions	-	-	-	220	220
Disposals	(26,150)	(4,407)	-	(87,282)	(117,839)
At 31 March 2020	8,296	2,856	800	23,731	35,683
<b>Depreciation</b>					
At 1 April 2019	34,446	7,089	288	107,063	148,886
Depn reversed re. disposals	(26,150)	(4,407)	-	(87,282)	(117,839)
Charge for year	-	43	102	823	968
At 31 March 2020	8,296	2,725	390	20,604	32,015
<b>Net book value</b>					
At 31 March 2020	-	131	410	3,127	3,668
At 31 March 2019	-	174	512	3,730	4,416

**Red Ladder Theatre Company Limited (The)**  
**Notes to the accounts continued**  
**for the year ended 31 March 2020**

<b>6 Debtors and prepayments</b>	2020	2019
	£	£
Debtors	4,472	2,894
Prepayments	2,424	27,587
Accrued income	11,937	27,118
Other debtors	-	2,323
	<u>18,833</u>	<u>59,922</u>

<b>7 Cash at bank and in hand</b>	2020	2019
	£	£
Cash at bank	145,029	55,551
Cash in hand	389	386
	<u>145,418</u>	<u>55,937</u>

<b>8 Creditors and accruals</b>	2020	2019
	£	£
Creditors	7,449	9,179
Accruals	1,775	1,825
Deferred revenue grants	-	114,523
	<u>9,224</u>	<u>125,527</u>

**9 Related party transactions**

**Trustee expenses**

No trustee received any expenses during this year or the previous year.

**Trustee remuneration and benefits**

During the year Emma McDowell was paid in respect of marketing services covering maternity leave for a member of staff. Total payment for this work was £6,210.

Emma did not attend board meeting during this period.

No trustee received any remuneration or benefits in the previous year.

**Remuneration and benefits received by key management personnel**

The total payments to key management personnel were £84,178 (previous year: £78,223).

No trustee received any remuneration or benefit in this capacity during this or the previous year.

There were no other related party transactions.

**Red Ladder Theatre Company Limited (The)**  
**Statement of Financial Activities including comparatives for all funds**  
**(including summary income and expenditure account)**  
**for the year ended 31 March 2020**

	2020	2019	2020	2019	2020	2019
	Unrestricted	Unrestricted	Restricted	Restricted	Total	Total
	funds	funds	funds	funds	funds	funds
	£	£	£	£	£	£
<b>Income</b>						
Grants and donations	169,007	207,761	161,409	-	330,416	207,761
Theatre tax relief	35,980	27,031	-	-	35,980	27,031
Income from performances	15,539	85,031	-	-	15,539	85,031
Other earned income	13,500	-	-	-	13,500	-
Bank interest	449	93	-	-	449	93
<b>Total income</b>	<b>234,475</b>	<b>319,916</b>	<b>161,409</b>	<b>-</b>	<b>395,884</b>	<b>319,916</b>
<b>Expenditure</b>						
<b>Production costs</b>						
Performing and stage managment.	22,826	78,093	9,811	-	32,637	78,093
Auditions	101	1,708	55	-	156	1,708
Sets props and costumes	12,361	13,913	791	-	13,152	13,913
Venue and rehearsal room hire	4,050	600	900	-	4,950	600
Creative Fees	9,939	16,004	1,625	-	11,564	16,004
Technical equipment hires	1,955	551	-	-	1,955	551
Writers' fees and commissions	9,286	8,768	47	-	9,333	8,768
Accommodation & travel	4,561	16,781	1,002	-	5,563	16,781
Evaluation and monitoring	6	10,050	9,575	-	9,581	10,050
Production miscellaneous	2,863	3,598	592	-	3,455	3,598
<b>Marketing and publicity</b>	<b>22,513</b>	<b>27,250</b>	<b>9,463</b>	<b>-</b>	<b>31,976</b>	<b>27,250</b>
<b>Overheads</b>						
Salaries, NI and pensions	45,444	89,788	49,453	-	94,897	89,788
Rent and rates	4,334	4,328	-	-	4,334	4,328
Insurance	1,434	1,409	-	-	1,434	1,409
Repairs and maintenance	6	1,496	-	-	6	1,496
Phone and internet	1,728	1,717	-	-	1,728	1,717
Computer maintenance	3,471	5,417	-	-	3,471	5,417
Print, post and stationery	356	438	-	-	356	438
Trade subscriptions	965	672	-	-	965	672
Sundry expenses	604	304	-	-	604	304
Motor expenses	1,703	1,879	-	-	1,703	1,879
Travel and subsistence	1,126	664	-	-	1,126	664
Consultancy fees	8,985	20,193	7,161	-	16,146	20,193
Training and conferences	1,345	89	-	-	1,345	89
Bank charges	25	23	-	-	25	23
Independent examination	2,045	1,700	-	-	2,045	1,700
Depreciation	968	5,203	-	-	968	5,203
<b>Total expenditure</b>	<b>165,000</b>	<b>312,636</b>	<b>90,475</b>	<b>-</b>	<b>255,475</b>	<b>312,636</b>
<b>Net income / (expenditure)</b>	<b>69,475</b>	<b>7,280</b>	<b>70,934</b>	<b>-</b>	<b>140,409</b>	<b>7,280</b>
<b>Transfers between funds</b>	<b>70,934</b>	<b>-</b>	<b>(70,934)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	<b>140,409</b>	<b>7,280</b>	<b>-</b>	<b>-</b>	<b>140,409</b>	<b>7,280</b>
<b>Fund balances brought forward</b>	<b>18,286</b>	<b>11,006</b>	<b>-</b>	<b>-</b>	<b>18,286</b>	<b>11,006</b>
<b>Fund balances carried forward</b>	<b>158,695</b>	<b>18,286</b>	<b>-</b>	<b>-</b>	<b>158,695</b>	<b>18,286</b>