

Company registration number 05541255
Charity registration number 1121007

UK Storyhouse Limited
Trustees' Report and Consolidated
Financial Statements
For the Year Ended 31 March 2022

STORYHOUSE

CHAMPION ACCOUNTANTS LLP
Statutory Auditors
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Refuge House
33-37 Watergate Row
CHESTER
CH1 2LE

UK Storyhouse Limited

Contents of the Consolidated Financial Statements For the Year Ended 31 March 2022

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Trustees Reference and Administrative Details For the Year Ended 31 March 2022

The Trustees, who are also the Directors for the purposes of company law, present their report and the consolidated financial statements of the Charity and its subsidiaries for the year ended 31 March 2022, which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Registered Charity Name	UK Storyhouse Limited
Charity Registration Number:	1121007
Company Registration Number:	05541255
Trustees (in the period and at the date of approval):	PM Mearns (Chair) SM Leech E Boekesteijn GA Clifton CJ Hyndman AL Jones K Kerr RA Matchett AA Owens LC Towers NM Adamu LA Burnett HS Lin JC Howard (appointed 30/11/2021)
Principal and Registered Office:	Storyhouse Hunter Street Chester Cheshire CH1 2AR
Company Secretary:	A Bentley
The Charity's professional advisors are as follows:	
Auditors:	Champion Accountants LLP 2nd Floor Refuge House 33-37 Watergate Row Chester CH1 2LE
Bankers:	Lloyds Bank plc 8 Foregate Street Chester CH1 1XP NatWest Bank plc 33 Eastgate Street Chester CH1 1LG

UK Storyhouse Limited

Report of the Trustees (including Directors' Report) For the Year Ended 31 March 2022

Objectives and Activities

Storyhouse is a diverse organisation and building. It is a charity, cultural centre, library, theatre, cinema and restaurant. It is a truly welcoming communal place for people of all ages and backgrounds with over 1,000,000 visitors a year and 128 community groups calling it home.

Storyhouse is essentially four things:

- an important part of the fabric of our local community
- a combined-arts producer and presenter
- a large visitor attraction and community space
- an innovative, commercially-minded stage producer.

Storyhouse also runs the longest opening hours for any UK library. We produce our own theatre as well as welcoming in touring productions and hosting one-night comedy and music. Every summer we run Grosvenor Park Open Air Theatre, which welcomes 25,000 people.

We have become an important part of the cultural fabric in the region and Storyhouse has grown into a place of safety and support, especially for our younger participants; somewhere where they can build their careers and re-imagine their place in the world.

128 community groups use Storyhouse as a base for regular creative activity each month. These groups include local LGBTQ+ and disability groups, refugee integration and support groups, mental health support groups, groups combating social exclusion by age, creative groups for young people left behind by education and social systems, and foster carers.

We work extensively with young people and children and run a youth theatre, young company, young leaders programme, half term activities, summer holiday clubs and now a new schools partnership scheme. We work with many local partners to ensure we are reaching and working with children and young people that are hardest to reach and are the most disadvantaged in the area.

We measure our success around the difference we make, how well we reach the excluded, how we manage ourselves, how well we support young people, and how we encourage talent.

Between April 21 and March 22, Storyhouse had

- 994,774 (105,703) customer visits
- 136,528 (33,107) tickets bought
- 169,013 (44,951) books borrowed
- 39,672 (16,481) taking part
- 3,989 (940) new borrowers signed up to the library

Making a Difference

We relish our role at the heart of our local community, and we have been a beacon of hope during the pandemic, offering as much support as we could, to our community.

Storyhouse is the largest cultural employer and organisation in Cheshire and a substantial combined arts producer, staging £2.09m of work directly including £1.1m in freelance artist contracts. We support 215 full time equivalent (fte) jobs including 68fte via direct employment, 147fte in the freelance economy and have an overall economic impact of £21.9m.

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The cultural economy in Cheshire and beyond relies on Storyhouse and we have continued to support our local partners, including resident company Fallen Angels Dance Theatre (supporting addicts in recovery) and Yet Another Carnival (graduates from our young company).

Our physical building incorporates best practice in accessible design in both public and back-of-house areas. The approach to accessibility has considered the needs of all users including people with mobility impairments, people with visual impairments, deaf people, older people and small children.

Recent surveys of our audiences show that 11% of our visitors are living with a disability. We programme accessible performances of all of our produced shows and offer relaxed cinema screenings in our cinema. We work with groups across the borough including Dementia Action Alliance, Age UK, Cheshire Autism Support and Chester Adult Phab Club to ensure users with access needs can use all elements of the building and programme.

We have created a free Access Register: a membership from which users can receive updates about accessible performances, enables them to book free companion tickets online and helps us learn about provisions or facilities we can provide to ensure their visit to Storyhouse is as enjoyable as possible.

Everyone has a Voice

Storyhouse was built to normalise creativity in its communities, helping to build a more vibrant cultural democracy. We seek to break down barriers between art and wider communities, empowering everyone as an artist and as a cultural citizen.

This is a core component of our organisation and our ambition is to grow this area of work over the next three years. We strive to make our work inclusive and are already an accessible and creative place where people can study, learn and create. Partnership working with local groups and colleges helps us to deliver a joined up and increasingly diverse creative programme.

Diverse communities freely access opportunities to engage with, and participate in, the advancement of the debates we begin on our stages, across the library, cinema, Garret theatre and our restaurant, The Kitchen.

We have established a broad network of 136 local partner organisations, including 15 key partners with whom we have formal agreements to deliver shared objectives, to place marginalised voices in control of our programme.

In 21-22, much of our festival programme was impacted by the Covid-19 pandemic. Thanks to a grant from the European Regional Development Fund, Storyhouse launched a new six-month community arts project called Chester, Designed by Nature. The events involved a wide range of existing community groups, and many talented artists in Chester whose opportunity to create work has been affected by the pandemic; enabling new communities, particularly those who feel less represented within the city, to have the opportunity to co-create collective activity or events.

The festival programme for the year included Kaleidoscope, a disability week-long festival, and Storyhouse Languages, a weekend celebrating Chester's international community.

We secured funding to help us to grow our diversity and inclusion work in the community. The funding has enabled us to invest in black led programming as part of our literature festival and to run a community library programme celebrating black narratives.

A Creative Community

The diversity of stories and voices within our borough needs to be reflected and heard on all our stages.

In April 2021, we staged Amy Ng's very well-received Miss Julie. Its in-person run was cut short as a result of a national lockdown, so we moved to live streaming. Given its international appeal we set show times to reach audiences in Southeast Asia and the Eastern US seaboard, welcoming audiences from New York, Hong Kong, and Taiwan to

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Storyhouse for the first time. The show later went on tour to York Theatre Royal, Southwark Playhouse and Belgrade Theatre.

In October, we produced *Antigone*; a fully accessible show for the deaf and hard of hearing community by Hollie McNish. To achieve this the whole show was signed in BSL and we used integrated captioning throughout the production. Raffie Julien, a deaf actor, took the lead role of Ismene. This piece attracted new audiences to Storyhouse and highly acclaimed reviews, being called a 'bold and dynamic piece of accessible theatre' by *The Stage*.

Between May to September 2021, we staged 110 performances of home-produced theatre at Grosvenor Park Open Air Theatre. *The Jungle Book*, *Merry Wives of Windsor* and *Pride and Prejudice* were watched by over 25,000 people.

A further 14,700 attended performances of *Oliver Twist* staged at Storyhouse in Christmas 2021, though numbers were dampened due to the resurgence of the Covid-19 pandemic.

Chester Literature Festival included 6 community co-curated events that covered the breadth of the Storyhouse community programme. Successes were the events with the LGBTQ older people community and the Childless Community. Poet, Benjamin Zephaniah took up his residency, and his work has been installed across the building, provoking an emotional response from many of our communities.

This activity took place alongside our busy cinema programme and library operation during the same period.

Supporting Young Lives

Young Storyhouse is a collective of groups for young people (aged 5-25) at Storyhouse that meet for regular sessions to provide young people with real-life experience in the arts and libraries, as well as supporting them in gaining new skills, building friendships, and achieving qualifications.

We are working to improve access to the cultural sector by training the next generation of cultural leaders through Young Storyhouse.

Storyhouse trains young people to perform in plays, lead reading groups, programme the cinema, run music gigs, market shows, design, budget, programme and deliver their own festivals. We run an extensive and diverse programme of activity for young people, that focuses on creativity, including:

- Young Leaders Programme, working with NEET young people aged 16-25 to train and gain experience working in the cultural sector.
- Young Company, programme for those interested in theatre. In 2022-2023 we will see an expansion to include more production-based learning alongside acting.
- Young programmers, enabling young people to gain real life experience of programming.

We employed 23 trainees in the financial year – 47% of whom live with long-term health conditions / disabilities.

Supporting young people continued to be a priority for us. We are extremely proud of our dynamic and flexible approach to keeping our youth programmes open during the pandemic. But now as we emerge from the pandemic, we need to review and grow to ensure we are continuing to meet the needs of young people. This includes the expansion of our work into hard-to-reach communities. 67% of young people we work with come from targeted areas of social deprivation and 15% live with a disability. We want to further this reach to ensure we work with those least likely to access culture.

Elected representatives check all our work in the Youth Forum. Our Youth Forum is chaired by Storyhouse's Young Trustee, Jack Howard, who also sits on our main board, and includes elected representatives from all Young Storyhouse groups aged 8+.

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15,514 young people took part in creative workshops at Storyhouse during the financial year. 11,098 young people saw shows we produced: 3,585 saw these for free. We ran 18 regular youth groups, a mixture of in-person and online. Through these, 230 young people benefited from 416 creative sessions, 142 young people joined these groups for free.

We worked with 43 young people on our Young Leaders programme, all of whom were not in education, employment or training, or were deemed at risk of being so by their support agencies. One of our graduated young leaders successfully secured a part time job in the library team. Another self-published her own book, which she has put in a local children's shop Weasel and the Bug. Her book has been picked up by a publisher who has asked her to extend the story for publishing.

Staff and Volunteers

Storyhouse operates with a dedicated and a stable management team with considerable operational knowledge.

The organisation enjoys the support of an extended family of paid staff, volunteers, artists, freelance staff and community partners, and to all these we extend our warmest thanks for their hard work and efforts during the last year.

Volunteers

Volunteers at Storyhouse work alongside us in every part of the business from shows, to helping in the library, to storytelling, to working with young people and serving customers. They are integral to our organisation.

Our volunteer programme continues to be successful, and we have a superb group of volunteers. As of March 22, we had 170 volunteers, all having contributed a total of 28,079 (3,528 in prior year) hours to Storyhouse.

Public Benefit

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

Support and stakeholder relations

Our Storyhouse membership scheme continues to grow and as at March 2022 we had 5,413 members (4,747 March 2021).

We have continued to receive support from our community; through direct donations (£28.3k), membership (£208k), volunteering and buying tickets, lobbying, and helping us deliver services to our most vulnerable communities.

Corporate members continued with their support including Bank of America, Iceland, and Aaron and Partners. MBNA continued with their 3-year sponsorship programme to support Grosvenor Park Open Air Theatre.

Our existing funders, The Oglesby Charitable Trust and The Westminster Foundation continued to support our Young Leaders programme.

Additional support for our programme came from Kenneth Russell-Hardy Will Trust which supported our literature festival and Destination Chester, who supported our Designed by Nature community programme.

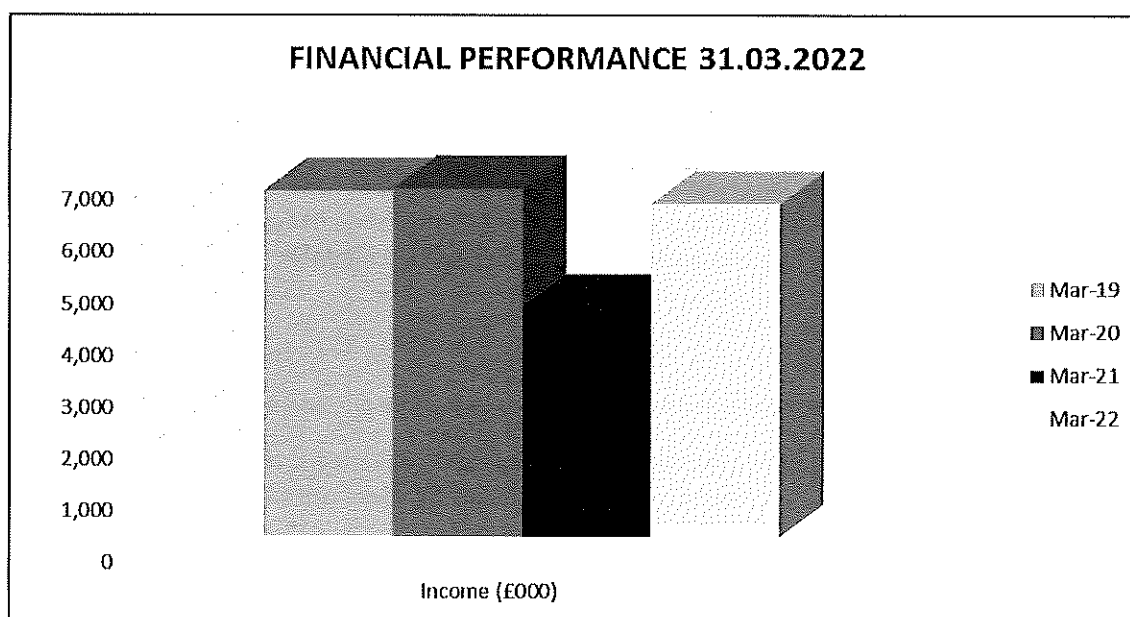
Financial Performance

For the financial year ended 31st March 2022, Storyhouse made an operating surplus of £767k (surplus of £911k in March 2021).

Total income for March 2022 was £6.43m, an increase of £2m compared to the prior year (£4.43m in March 2021).

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The Covid 19 pandemic continued to have a significant effect on Storyhouse, as it did on all performing arts and cultural venues across the UK.

Raising Funds

We have continued to receive support from our community; through direct donations (£28.3k), membership (£208k), volunteering and buying tickets.

Successful applications to the Arts Council's Cultural Recovery Fund and its Continuity Fund have provided £674k to support project costs and reflate our reserves.

We have secured sponsorships from commercial partners (£93k) and project funding from trusts and foundations (£195k) which allowed us to deliver Young Storyhouse activity and community festivals and activity throughout the year.

Storyhouse Originals

Box office income for Storyhouse Originals increased to £1.175m (from £370k in March 2021).

Miss Julie was streamed to audiences in April 21, as Covid-19 restrictions in place meant no live performances could take place. 495 tickets were sold for 11 streamed performances. The show, a co-production with New Earth Theatre, later went on tour to York Theatre Royal, Southwark Playhouse and Belgrade Theatre selling over 1,300 tickets.

Between May to September 2021, we staged 110 performances of home-produced theatre at Grosvenor Park Open Air Theatre. The Jungle Book, Merry Wives of Windsor and Pride and Prejudice were watched by over 25,000 people.

A further 14,700 attended performances of Oliver Twist staged at Storyhouse in Christmas 2021, though numbers were dampened due to the resurgence of the Covid-19 pandemic, box office income was £402k.

Theatre Tax Relief claimed increased to £88k (from £27k in March 2021), in line with the increase in expenditure on our home-produced work.

The overall contribution from Storyhouse Originals was a surplus of £258k (£1.9k deficit in March 2021).

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Catering Company

Income from the trading subsidiary, Storyhouse Catering Company, was £2.1m (from just £326k in March 2021).

For the early part of the year, the Kitchen (our café & restaurant) and stage programme was still heavily impacted by the Covid-19 pandemic restrictions.

Throughout the summer, we continued to operate Moonlight Flicks, screening films outdoors at Chester Cathedral, Claremont Farm, Snugburys and the Carriage Shed.

In the autumn, with the easing of government restrictions, activity was able to resume at full capacity and we saw recovery of hospitality and audience numbers in the stage and cinema programme.

The overall contribution from the Catering Company was a surplus of £280k (£36.5k deficit in March 2021).

Government Grants

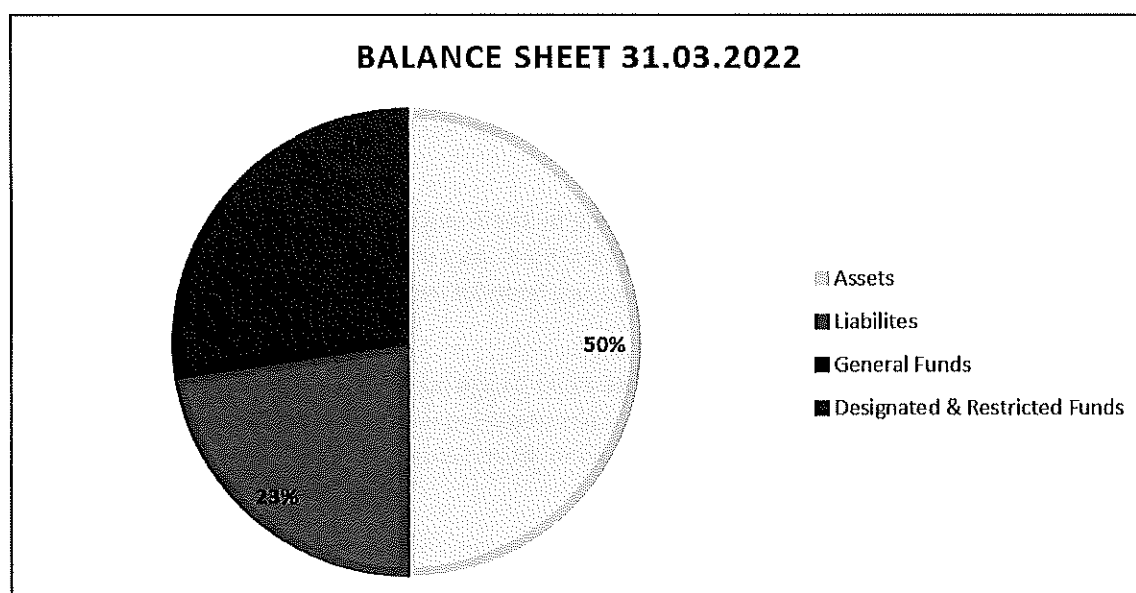
Storyhouse utilised the Government's Coronavirus Job Retention Scheme (CJRS) to help pay a proportion of wages for employees who had been unable to work any, or all of their usual hours, because of the Covid 19 pandemic.

We were successfully able to close the scheme in July 2021. We received £101k from the Retention Scheme in the financial year.

Assets

Net current assets were £1,951k as at March 2022 (£1,055k in March 2021). Net group assets were £2,159k as at March 2021 (£1,391k March 2021).

Overall cash at bank and cash in hand balance was £3,327k (£1,905k in March 2021). Of this, £790k relates to advance ticket purchases for future shows, a further £613k relates to designated or restricted funds carried forward to future periods.



UK Storyhouse Limited

Report of the Trustees (including Directors' Report) For the Year Ended 31 March 2022

Principal Risks and Uncertainties

The trustees examine major strategic, business and operational risks which the Charity faces on an ongoing basis. A risk register is maintained and is reviewed regularly to confirm that systems have been established to mitigate and lessen these risks.

The trustees have a Risk Management Strategy which comprises:

- An annual review of the risks the Charity may face and the likelihood of these risks occurring. Particular attention is given to major risks that would prevent the organisation from achieving its objectives.
- The Finance Director reports any changes in status of these risks, including any new risks and any actions taken to the Finance Committee and the main Board.
- The establishment of systems and procedures to mitigate those risks are identified in the annual review.
- Procedures designed to minimise any potential impact on the charity are implemented should these risks materialise.

Specific risks arising from the Covid-19 pandemic

The risk management strategy identified that the principal risks arising from the Covid-19 pandemic were:

- Financial impact of COVID-19 restrictions

To support with staff costs, we have utilised the Government's Coronavirus Job Retention Scheme, receiving grants of £101k.

We have also undertaken significant fundraising activity. Successful applications to the Arts Council's Emergency Response Fund and Cultural Recovery Fund, have supported the organisation's core operating costs and the re-inflation of organisational reserves.

- Loss of earned income

Income from our commercial activities: catering, cinema, presented programme and events is essential to the Charity's financial stability. Though this has improved against the prior year £3.7m (£1.19m March 2021), this remains significantly lower than in pre Covid-19 years where earned income accounted for 76% of our total income, at March 2022 this was 57%.

Financial risks are addressed through regular monitoring by the finance committee and full board, with the overall budget receiving a full re-appraisal on at least a quarterly basis. As a result of these measures, though the Covid-19 pandemic continues to be a risk, we begin 22-23 in a secure financial position.

- Uncertainty regarding audience numbers

Throughout the course of the Covid-19 pandemic we have sought to keep our users and our communities close, engaging audiences indoors as well as through outdoor performances over the summer. We have found creative ways of operating including online activity, not just for our main artistic programme but also our youth programmes and community activity.

However, this has still resulted in much lower activity levels and therefore, audience numbers than prior to the Covid-19 pandemic, with ticketed events falling from approximately 200k in the previous financial year to 136k in this year (33k March 2021).

- Staff and visitor safety

Ensuring our building remained a safe and welcoming space during the pandemic has been challenging. We have followed government and industry guidance throughout the year and made all necessary adjustments to our building and our operations to ensure a safe space.

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Operational risks are addressed by the management team through comprehensive and regularly reviewed policies in relation to key issues such as health and safety and reported to the board via the risk register.

Economic Challenges

The risk management strategy identified that the principal economic challenges facing the Charity were:

- Increases to National Living wage and rising cost of living

In April 2022, the National Living Wage (NLW) will rise to £9.50, this represents an increase of 59 pence or 6.6%. Wages for over 21s will increase by 9.8% to £8.91 and over 18's by 4.1% to £6.56.

Prices for everyday goods continue to rise, these inflationary pressures are resulting in demands from employees seeking salary increases to preserve their standard of living and maintain their ability to meet household bills and necessities such as food, clothing and transport costs.

- Changes to national insurance contribution rates and thresholds

In addition to changes in minimum wage legislation, the rates of national insurance (NI) will rise by 1.25% to fund the NHS and social care in the UK. The increases will apply to contributions paid by employees, the self-employed, and employers. Employers NI for 2022-2023 will be 15.05% for all earnings over £170 per week (£8,840).

- Impact of inflation on goods & supplies

Consumer price inflation has risen markedly. This mainly reflects the sharp increases in global energy and tradable goods prices, the latter due to global bottlenecks and the war in the Ukraine UK CPI inflation rose to 5.4% in December 2021, and in the Bank of England's projections show that inflation will remain a challenge for 2022.

- End of Reduced Rate VAT

The VAT rate, which was temporarily reduced by the government as a form of financial support during the Covid-19 pandemic, has been 12.5% since October 2021 and prior to this, was 5%. On 1st April 2022, the rate of VAT for hospitality and admissions to cinemas and theatres will revert to 20%.

Given the significance of these challenges, we must be mindful of the need to be more agile and responsive than ever. Our finance strategy for the financial year 2022-2023 is sufficiently robust to withstand temporary reductions in income while having in place a sound infrastructure that will ensure our long-term financial sustainability.

Going Concern

Your attention is drawn to the going concern note included within the Accounting Policies notes to the Financial Statements on page 19.

The board have considered the ongoing situation with regards to Covid-19 pandemic on future performance, as well as other events and conditions, and it has been determined that they do not create a material uncertainty that casts significant doubt upon the Charity's ability to continue as a going concern.

The reserves position of the Charity is set out below. The board considers that the Charity has adequate financial resources for ongoing operations and our business planning process, which includes financial projections, has taken into account the current economic climate, likely levels of secured income, funding and trading in the forthcoming year.

The Charity has a 20-year lease and service contract with Cheshire West and Chester Council, with a rolling three-year funding cycle agreed over that period. The financial settlement for this is now confirmed until March 2024.

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In October 2020, Arts Council England confirmed an extension of National Portfolio grant funding until 2023, to offer some stability during the challenges of the Covid-19 pandemic.

The view of the board is that the Charity will continue in operational existence for the foreseeable future.

With secured income and based on its business plan for the forthcoming year, the trustees have concluded that the Charity will be in a position to continue to meet its liabilities, as they fall due, for at least twelve months from signing these financial statements.

In reaching their conclusion, the board has reviewed the Charity's monthly cash flows, applied sensitivity analyses as appropriate, and considered the various financial support measures that have been announced by the UK government.

After consideration of all factors, the accounts have therefore been prepared on the basis that the Charity is a going concern.

Reserves

At the end of March 2022, total funds carried forward are £2.15m (£1.39m in March 2021), of this £533k relates to designated funds and a further £80k in funds restricted in nature.

The board closely monitors the level of reserves throughout the year. Through successful programme activity, careful financial management and with the support of Arts Council England (through the Cultural Recovery Fund) and that of other funders and donors, we have been able to reflate our reserves in this financial year to pre-pandemic levels.

The board aims to maintain a level of reserves to provide sufficient working capital that protects the continuity of the Charity's work and provides cover for risks such as unforeseen expenditure or fluctuation in income levels.

The board reviews the reserves policy with reference to the Charity's strategy and business plan, to determine the target level of reserves required. At March 2022, the policy was designed to provide available financial reserves for the following purposes:

- to absorb potential box office shortfalls
- to absorb reduction in local authority or other funding
- to cover significant unbudgeted costs (e.g., exceptional cost increases relating to rising inflation, costs of organisational change etc).

The business plan for the financial year 2022-2023 aims to balance the economic uncertainty of the coming financial year; whilst we expect growth in our earned income, we must also navigate reductions in our funding, increased competition for trust and grant monies and inflationary pressures resulting in the rising costs of resources and staff.

Overall, the board believes that a figure of £1.25m of available reserves (defined as unrestricted funds not already invested in fixed assets, or irrevocably committed for other purposes) should be sufficient to cover these requirements.

The board considers this target (equivalent of 12 weeks turnover) appropriate and provides sufficient flexibility in the context of operational requirements.

At the end of March 2022, the balance held as unrestricted reserves was £1,545k (£1,055k March 2021) of which £1,337k were regarded as free reserves (£719k March 2021).

The Charity's net current assets/liabilities held within general Unrestricted Funds, as shown in note 23.

We are holding £533k in designated funds (£293k March 2021). Of this, £334k relates to funds received from the Arts Council Cultural Recovery Fund and Continuity Fund, which has been committed to fund staff, digital projects and equipment in the next financial period.

UK Storyhouse Limited

Report of the Trustees (including Directors' Report) For the Year Ended 31 March 2022

Structure, Governance and Management

Governing Document

The Charity is a company limited by guarantee whose constitution is set out in a deed of trust, as defined by the Companies Act 2006.

Board of Trustees

The board at 31st March 2022 is made up of 14 non-executive unpaid trustees. Board numbers include a dedicated position for a Young Trustee, currently held by Jack Howard. The current Chair is Peter Mearns.

Governance

The governance arrangements of the Charity are reviewed on an annual basis. A governance working group, comprised of Trustees and members of the Executive, supports this process.

The group uses the Charity Governance Code as a framework for review, using each of its 7 Principles to assess current performance and to aid continuous improvement. The scope of the review is not only to audit governing documents and policies, but also to review the board's own performance and effectiveness. As is best practice, the board periodically seeks external evaluation and expertise to support a review.

Recruitment and appointment of new trustees

New appointments to the board are advertised and ratified by the full board. Induction for new trustees is managed by the Chair and Chief Executive. Trustees are appointed on a fixed term basis and are subject to a maximum six-year term.

Decision Making

The board retains full control and approves all major strategic decisions and has ultimate responsibility for the company's conduct and financial stability. Leadership and management of the Charity is delegated to the Chief Executive.

The organisation's Chief Executive, Andrew Bentley, has support from four Directors (creative, development, finance and operations) together comprising the organisation's Leadership Team.

The board monitors performance and reviews the quality and effectiveness of all information provided to the board. Review of executive pay is undertaken through the Audit and Remuneration Committee, comprising the Chair Peter Mearns and Vice-Chair Sue Leech.

The board meets six times a year and is supported by three standing committees: Finance, Development and Access and Inclusion. All three are governed by terms of reference, which set out key decisions which must be approved by the board and those delegated to the standing committees.

The affairs of the company are subject to external scrutiny by Arts Council England, who are entitled to attend board meetings as observers. The company has a substantial contract for services with Cheshire West & Chester Council, who undertake an annual review but who are not otherwise involved with the company's governance or board.

Storyhouse runs two wholly owned commercial trading subsidiaries, Storyhouse Production Company Limited and Storyhouse Catering Company Limited.

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Report of the Trustees (including Directors' Report) For the Year Ended 31 March 2022

Trustees Responsibilities in relation to the Financial Statements

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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 financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

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

In so far as the trustees are aware:

- there is no relevant audit information, of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

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

In approving the Trustees' Annual Report we also approve the Director's Report, included therein, in our capacity as company directors.

Signed by order of the Trustees by:



P M Mearns
Chair

Date: 18/11/22

UK Storyhouse Limited

Independent Auditor's Report to the Members and Trustees of UK Storyhouse Limited For the Year Ended 31 March 2022

Opinion

We have audited the financial statements of UK Storyhouse Limited (the 'charity') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheet, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, 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 accounts section of our report. We are independent of the group and the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the strategic report included within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

UK Storyhouse Limited

Independent Auditor's Report to the Members and Trustees of UK Storyhouse Limited For the Year Ended 31 March 2022

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report and the strategic report included within the Report of the Trustees.

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- The charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 group's and the charity'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 group or the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit is considered capable of detecting irregularities, including fraud

The responsibility for the prevention and detection of irregularities, including fraud, lies with the trustees and with those charged with governance. The objectives of our audit in respect of irregularities and fraud are to assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient, appropriate audit evidence regarding the assessed risks and to respond appropriately to fraud or suspected fraud identified during the audit.

Audit procedures

We determine significant applicable laws and regulations through discussion with those charged with governance and our own knowledge of the industry and design audit procedures to help identify instances of non-compliance with those laws and regulations that may have a material effect on the financial statements.

We consider the applicable laws and regulations to be the financial reporting framework (FRS 102 and the Companies Act 2006), Charity Law, the relevant tax regulations in the UK, employment law and the Health and Safety at Work Act 1974 and Safeguarding legislation.

We consider the control environment and the procedures in place to address identified risks, including management override, non-compliance with laws and regulations and to prevent and detect fraud or irregularity. Our procedures are designed to provide reasonable assurance that the financial statements are free from material misstatement or error and include: enquiries of management and of staff in key compliance functions; review of reports from

UK Storyhouse Limited

Independent Auditor's Report to the Members and Trustees of UK Storyhouse Limited For the Year Ended 31 March 2022

regulators; review of minutes of meetings of those charged with governance; review and testing of manual journals, relevant nominals and significant transactions outside the normal course of business; review of financial statement disclosures and testing to supporting documentation; performance of analytical procedures.

We are not responsible for preventing non-compliance and due to the inherent limitations of an audit, as described above, the audit cannot be relied upon to detect all instances of non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> . This description forms part of our auditor's report.

Use of our report

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

Champion Accountants LLP

Susan Harris MA ACA (Senior Statutory Auditor)
for and on behalf of Champion Accountants LLP
Chartered Accountants
Statutory Auditor

24 November 2022

2nd Floor Refuge House
33-37 Watergate Row
Chester
CH1 2LE

UK Storyhouse Limited

Consolidated Statement of Financial Activities (Including Income and Expenditure Account) For the Year Ended 31 March 2022

		Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies	3	2,584,299	165,950	2,750,249	3,669,895
Charitable activities	4	529,372	-	529,372	41,167
Other trading activities	5	3,070,469	-	3,070,469	699,778
Other	7	88,464	-	88,464	27,575
Total income and endowments		6,272,604	165,950	6,438,554	4,438,415
Expenditure on:					
Raising funds	8	2,878,283	-	2,878,283	763,906
Charitable activities	9	2,664,595	128,046	2,792,641	2,762,738
Total expenditure		5,542,878	128,046	5,670,924	3,526,644
Net income/(expenditure)		729,726	37,904	767,630	911,771
Reconciliation of funds					
- Total funds brought forward		1,391,643	42,421	1,434,064	479,872
- Total funds carried forward	23	2,121,369	80,325	2,201,694	1,391,643

The Statement of Financial Activities includes all gains and losses recognised during the year. All Income and Expenditure derive from continuing activities.

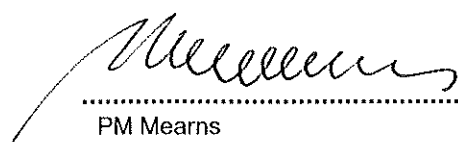
The notes on pages 19 - 31 form part of these financial statements

UK Storyhouse Limited

Consolidated and Charity Balance Sheet For the Year Ended 31 March 2022

		Group		Charity	
		2022	2021	2022	2021
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14	208,161	336,203	208,161	336,203
Investments	15	-	-	2	2
		<u>208,161</u>	<u>336,203</u>	<u>208,163</u>	<u>336,205</u>
Current assets					
Stocks	16	12,770	9,430	-	-
Debtors	17	402,382	410,732	194,123	158,770
Cash at bank and in hand		<u>3,327,018</u>	<u>1,905,909</u>	<u>3,301,483</u>	<u>1,809,721</u>
		<u>3,742,170</u>	<u>2,326,071</u>	<u>3,495,606</u>	<u>1,968,491</u>
Liabilities					
Amounts falling due within one year	18	<u>(1,791,058)</u>	<u>(1,270,631)</u>	<u>(1,544,497)</u>	<u>(876,502)</u>
Net current assets		<u>1,951,112</u>	<u>1,055,440</u>	<u>1,951,109</u>	<u>1,092,989</u>
Net assets		<u>2,159,273</u>	<u>1,391,643</u>	<u>2,159,272</u>	<u>1,428,194</u>
The funds of the charity:					
Restricted income funds	20	80,325	42,421	80,325	42,421
Unrestricted funds:					
- General fund	21	1,545,703	1,055,250	1,545,702	1,091,801
- Designated fund	22	<u>533,245</u>	<u>293,972</u>	<u>533,245</u>	<u>293,972</u>
Total funds	23	<u>2,159,273</u>	<u>1,391,643</u>	<u>2,159,272</u>	<u>1,428,194</u>

The consolidated financial statements were approved and authorised for issue by the Trustees on 18 November 2022 and were signed on their behalf by:



PM Mearns

Company Number: 05541255

The notes on pages 19 - 31 form part of these financial statements

UK Storyhouse Limited

Consolidated Cash Flow Statement For the Year Ended 31 March 2022

	Note	2022 £	2021 £
Net Cashflow from operating activities	25	1,232,318	1,171,955
Tax received		222,005	27,575
Cashflow from investing activities			
Payments to acquire tangible fixed assets	14	(33,214)	(132,252)
Net Cashflow from investing activities		(33,214)	(132,252)
Net increase in cash and cash equivalents		1,421,109	1,067,278
Cash and cash equivalents at beginning of year		1,905,909	838,631
Cash and cash equivalents at the end of the year		3,327,018	1,905,909
Cash and cash equivalents consist of:			
Cash at bank and in hand		3,327,018	1,905,909
Short term deposits		-	-
Cash and cash equivalent at the end of the year		3,327,018	1,905,909

The notes on pages 19 - 31 form part of these financial statements

UK Storyhouse Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

1 Accounting Policies

General Information

The charity is a private company limited by guarantee, registered in England and Wales. The address of the registered office is Storyhouse, Hunter Street, Chester, Cheshire CH1 2AR.

Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective January 2015 – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note below.

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

UK Storyhouse Limited is a public benefit entity as defined by FRS 102.

Basis of consolidation

The Consolidated Statement of Financial Activities, the Consolidated Balance Sheet and the Consolidated Statement of Cash Flows include the financial statements of the company and its subsidiaries, Storyhouse Catering Company Limited and Storyhouse Production Company Limited, made up to 31 March 2022. There are uniform policies across the group and intra group transactions are eliminated on consolidation. Consolidation is on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

Going Concern

As part of their going concern assessment, the trustees have considered the possible outcomes of events and conditions that the Charity may face; namely the on-going situation with regards to COVID-19 and the financial uncertainty in the UK economy.

As a result of our strong financial management, we begin FY22-23 in a secure financial position, with free reserves of £1.338m (up from £0.719m in the prior year) and cash in the bank of £3.3m.

The Charity has a 20 year lease and service contract with Cheshire West and Chester Council, with a rolling three year funding cycle agreed over that period, the financial settlement for which is now confirmed until March 2024. National Portfolio grant from Arts Council England has also been confirmed until 2023, which provides further secured income for the forthcoming year.

In light of the economic uncertainty, the management team regularly assess what impacts the events and conditions have on its operations and forecast cash flows, ensuring it has sufficient liquidity to continue to meet its obligations as they fall due. Financial risks are addressed through regular monitoring by the Finance Committee and full board, with the overall budget receiving a full re-appraisal on at least a quarterly basis.

As such, the trustees consider that the Charity has adequate financial resources for ongoing operations and our business planning process, which includes financial projections, has taken into account the current economic climate and likely levels of secured income, funding and trading in the forthcoming year.

The view of the trustees is that, whilst they acknowledge the significant disruption that the Covid-19 pandemic has brought and may continue to bring, the Charity will continue in operational existence for the foreseeable future. The trustees have concluded the Charity will be in a position to continue to meet its liabilities as they fall due for at least twelve months from signing these financial statements. In reaching their conclusion, the trustees have reviewed the Charity's monthly cash flows and applied sensitivity analyses as appropriate.

After consideration of all factors, the trustees continue to adopt the going concern basis in preparing the financial statements.

The funds of the charity

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against these funds. The aim and use of each restricted fund is set out in the notes to the Financial Statements.

UK Storyhouse Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

Incoming resources

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

Grant income that is revenue in nature is recognised in full in the year of entitlement where the performance conditions have been met.

The point of entitlement to ticket income is regarded as the completion of the ticketed performance. As such, ticket income is recognised upon completion of the performance that the ticket has been issued for. Amounts received for future performances are included in current liabilities.

The other sources of income are received at the point of delivery of the goods or services and are therefore recognised upon receipt.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating voluntary income are those incurred in seeking voluntary contributions and do not include costs of disseminating information in support of the charitable activities.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Fixtures and fittings	20% on cost and 10% on cost
Motor vehicles	25% on cost
Computer equipment	25% on cost

Where it has been identified that the recoverable amount of a fixed asset is below its net book value the asset is written down to its recoverable amount and the impairment loss is recognised in the Statement of Financial Activities.

Stocks

Stocks consist of purchased goods for resale and consumables. Stocks are valued at the lower of cost or net realisable value.

Debtors

Debtors receivable within one year are recognised at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash at bank and in hand

Cash at bank and in hand includes cash held on deposit with a short maturity of three months or less.

Creditors and provisions

Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Deferred income includes:

- Income received for events taking place after the balance sheet date

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of fixed asset investments which are subsequently measured at fair value where this can be reliably measured.

Operating leases

Rentals paid under operating leases are charged to the income and expenditure on a straight-line basis over the period of the lease.

Taxation

As a registered charity, the company benefits from rates relief and is generally exempt from Income Tax, Corporation Tax and Capital Gains Tax, but not Value Added Tax.

Volunteers

The value of services provided by volunteers is not incorporated into these financial statements.

UK Storyhouse Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

2 Financial performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiaries, Storyhouse Catering Company Limited and Storyhouse Production Company Limited. The summary financial performance of the charity alone is:-

	31 March 2022	31 March 2021
	£	£
Income	3,191,157	3,681,062
Theatre Tax Relief	88,464	27,575
Gift aid from Storyhouse Catering Company Limited	244,097	-
Gift aid from Storyhouse Production Company Limited	-	-
	<u>3,523,718</u>	<u>3,708,637</u>
Expenditure on charitable activities	<u>2,792,640</u>	<u>2,760,313</u>
Surplus/(Deficit) for the year	<u>731,078</u>	<u>948,324</u>
Total funds brought forward	<u>1,428,194</u>	<u>479,870</u>
Total funds carried forward	<u><u>2,159,272</u></u>	<u><u>1,428,194</u></u>
Represented by:		
Unrestricted funds	2,078,947	1,385,773
Restricted funds	80,325	42,421
	<u><u>2,159,272</u></u>	<u><u>1,428,194</u></u>

UK Storyhouse Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

3 Income from donations and legacies

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Funding				
Members & Private Giving	236,905		236,905	221,535
Sponsorship Income	77,500		77,500	67,900
Trusts and Foundations	25,000	165,900	190,900	123,990
Project Funding	73,352	50	73,402	10,452
Grants receivable				
Arts Council England	228,015		228,015	228,015
Cheshire West and Chester Council	1,167,610		1,167,610	1,362,610
Government Grants	775,917		775,917	1,655,393
	<u>2,584,299</u>	<u>165,950</u>	<u>2,750,249</u>	<u>3,669,895</u>

Of the income from donations and legacies received in 2022, £2,584,299 (2021: £3,563,025) was unrestricted and £165,950 (2021: £106,870) was restricted.

4 Incoming resources from charitable activities

		Unrestricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £
Library operation	Project	17,707	17,707	4,532
Engagement	Project	118,253	118,253	33,827
Ticketing	Project	392,832	392,832	2,554
Other income	Funding and administration	580	580	254
		<u>529,372</u>	<u>529,372</u>	<u>41,167</u>

5 Other trading activities

	Unrestricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £
Storyhouse Production Company Limited	916,710	916,710	372,953
Storyhouse Catering Company Limited	2,153,759	2,153,759	326,825
	<u>3,070,469</u>	<u>3,070,469</u>	<u>699,778</u>

UK Storyhouse Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

6 Net income from trading activity of subsidiary companies

The charity owned 100% of the share capital of Storyhouse Catering Company Limited and Storyhouse Production Company Limited at 31 March 2022. Both subsidiaries are registered in England and Wales. The principal activity of each subsidiary is detailed below together with their trading results for the year.

Storyhouse Catering Company Limited

The principal activity of the company was that of catering, cinema and receiving touring theatre at Storyhouse, Chester. The company registration number is 10709991.

	31 March 2022 £	31 March 2021 £
Turnover	2,153,759	326,825
Cost of sales	1,815,330	336,929
Administration expenses	57,779	26,449
	<u>280,650</u>	<u>(36,553)</u>
(Loss)/Profit before taxation and for the financial year		
Amount gift aided to the charity	244,097	-
Retained earnings brought forward and carried forward	-	(36,553)
	<u>734,289</u>	<u>342,503</u>
Current assets		
Current liabilities	734,288	379,055
Net current assets	1	(36,552)
Called up share capital	1	1
Retained earnings	-	(36,553)
	<u>1</u>	<u>(36,552)</u>

UK Storyhouse Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

Storyhouse Production Company Limited

The principal activity of the company was that of theatre company production at Storyhouse, Chester. The company registration number is 10709994.

	31 March 2022 £	31 March 2021 £
Turnover	916,710	372,953
Cost of sales	993,534	396,553
Administration expenses	11,640	3,975
Loss before taxation	(88,464)	(27,575)
Corporation tax credit (Theatre tax relief)	88,464	27,575
Profit for the financial year	-	-
Current assets	196,408	263,786
Current liabilities	196,407	263,785
Net current assets	1	1
Called up share capital	1	1
Retained earnings	-	-
	1	1

7 Other income

	Unrestricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £
Theatre tax relief	88,464	88,464	27,575
	88,464	88,464	27,575

UK Storyhouse Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

8 Costs of raising funds

	Unrestricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Storyhouse Production Company Limited	1,005,174	1,005,174	400,528
Storyhouse Catering Company Limited	1,873,109	1,873,109	363,378
	<u>2,878,283</u>	<u>2,878,283</u>	<u>763,906</u>

9 Costs of Charitable Activities by Activity Type

	Direct Costs £	Support Costs £	Governance Costs £	Total Funds 2022 £	Total Funds 2021 £
Charitable activities	2,020,973			2,020,973	2,091,137
Management		544,293		544,293	496,247
Finance		78,627	13,000	91,627	63,872
Building overheads		135,748		135,748	111,482
	<u>2,020,973</u>	<u>758,668</u>	<u>13,000</u>	<u>2,792,641</u>	<u>2,762,738</u>

Costs of charitable activities were £2,792,641 (2021: £2,762,738) of which £2,664,595 (2021: £2,698,289) was unrestricted and £128,046 (2021: £64,449) was restricted.

10 Net income/(expenditure) for the year

	2022 £	2021 £
This is stated after charging:		
Depreciation	161,256	167,859
Auditors remuneration		
- Audit of the financial statements	13,000	12,360
- Accountancy services	-	-
Operating lease costs:		
- Land and buildings	36,600	22,019
- Motor vehicle	3,660	-

11 Trustees' Remuneration

None of the Trustees received any remuneration or benefits in kind in respect of their duties as a trustee. Expenses were paid to Trustees during the year in amount of £1,004 (2021: £132).

UK Storyhouse Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

12 Analysis of staff costs and the cost of key management personnel

Total staff costs were as follows:

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Wages and salaries	1,885,684	1,253,907	1,801,025	1,611,117
Social security costs	157,773	138,435	139,875	133,501
Pension costs	62,202	52,787	58,261	55,508
	<u>2,105,659</u>	<u>1,445,129</u>	<u>1,999,161</u>	<u>1,800,126</u>

Key management comprises the executive team. The total employee benefits of the key management personnel were £255,535 (2021: £272,171).

13 Particulars of employees

The average number of staff employed during the year was 121, analysed by function as follows:

	2022 Number	2021 Number
Project	10	8
Head office	14	13
Kitchen	8	7
Marketing	5	5
Production	6	5
Cinema	4	4
Touring	1	1
Trading	-	1
Casual staff	73	53
	<u>121</u>	<u>97</u>

During the year the number of employees who earned more than £60,000 was as follows:

	2022 Number	2021 Number
£60,000 - £70,000	-	1
£70,000 - £80,000	-	-
£80,000 - £90,000	1	1

Total redundancy/termination payments in the year amounted to £Nil (2021: £12,497).

The charity contributes to a defined contribution pension scheme for its employees and an equity pension scheme for self employed actors. The sum of £62,202 (2021: £58,261) represents the pension cost to the charity for the period. The full cost has been charged against unrestricted funds.

UK Storyhouse Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

14 Tangible Fixed Assets

Group and Charity

	Fixtures and fittings £	Motor vehicles £	Computer Equipment £	Total £
Cost				
At 1 April 2021	865,304	14,328	193,740	1,073,372
Additions	33,214	-	-	33,214
At 31 March 2022	898,518	14,328	193,740	1,106,586
Depreciation				
At 1 April 2021	553,472	13,731	169,966	737,169
Charge for year	141,396	597	19,263	161,256
At 31 March 2022	694,868	14,328	189,229	898,425
Net Book Value				
At 31 March 2022	203,650	-	4,511	208,161
At 31 March 2021	311,832	597	23,774	336,203

15 Investments

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Investments in subsidiaries	-	-	2	2

16 Stocks

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Stock	12,770	9,430	-	-

17 Debtors: Amounts falling due within one year

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Amounts owed by group undertakings	-	-	-	15,073
Income tax recoverable	116,484	250,025	-	-
Trade debtors	119,496	19,131	111,780	19,131
Other debtors	40,300	29,909	40,300	29,909
Prepayments and accrued income	126,102	111,667	42,043	94,657
	402,382	410,732	194,123	158,770

UK Storyhouse Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

18 Liabilities: Amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	273,080	133,502	247,062	123,104
Amounts owed to group undertakings	-	-	503,274	-
PAYE and Social Security	42,305	36,244	42,305	36,244
VAT	51,684	22,541	51,684	22,542
Other creditors	45,779	25,666	45,779	25,666
Accruals and deferred income	1,378,210	1,052,678	654,393	668,946
	<u>1,791,058</u>	<u>1,270,631</u>	<u>1,544,497</u>	<u>876,502</u>
Deferred income	£			
Deferred income at 1 April 2021	390,885			
Utilised in year	(390,885)			
Received in year	<u>308,068</u>			
Deferred income at 31 March 2022	<u>308,068</u>			

19 Operating Lease Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Within one year	30,752	40,260
Between one and five years	<u>19,550</u>	<u>37,515</u>
	<u>50,302</u>	<u>77,775</u>

20 Restricted Funds

Group and Charity	Balance at 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Balance at 31 March 2022 £
Youth Projects	42,421	143,950	106,046	80,325
Community Festival Funding	-	22,000	22,000	-
	<u>42,421</u>	<u>165,950</u>	<u>128,046</u>	<u>80,325</u>

All restricted funds are included in the Charity accounts

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Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

Group and Charity	Balance at 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Balance at 31 March 2021 £
Youth projects	-	106,869	64,448	42,421
Festival funding	-	-	-	-
	-	106,869	64,448	42,421

21 Unrestricted Funds - General

	Group General Funds £	Charity General Funds £
As at 1 April 2021	1,055,250	1,091,801
Incoming resources	6,272,604	3,357,768
Outgoing resources	(5,542,878)	(2,664,594)
Transfer to designated funds	(239,273)	(239,273)
As at 31 March 2022	1,545,703	1,545,702

	Group General Funds £	Charity General Funds £
As at 1 April 2020	479,872	479,870
Incoming resources	4,331,545	3,601,767
Outgoing resources	(3,462,195)	(2,695,864)
Transfer to designated funds	(293,972)	(293,972)
As at 31 March 2021	1,055,250	1,091,801

22 Unrestricted Funds - Designated

	Group Designated Funds £	Charity Designated Funds £
As at 1 April 2021	293,972	293,972
Incoming resources	319,288	319,288
Outgoing resources	(80,015)	(80,015)
As at 31 March 2022	533,245	533,245

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Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

The value of Designated Funds relates to general funds received from the Arts Council England Cultural Recovery Fund (£334k) and funds generated through the charity's activities in the year (£199k).

The funds have been designated by the board of trustees for the purpose of developing the Charity's digital capability (£121k), investing in programming and production (£136k), investing in people to grow & diversify income (£90k), board governance and recruitment (£40k), purchase of equipment necessary to deliver new programmes (£81k) and building and access improvements (£65k).

	Group Designated Funds £	Charity Designated Funds £
As at 1 April 2020	-	-
Incoming resources	293,972	293,972
Outgoing resources	-	-
As at 31 March 2021	293,972	293,972

23 Analysis of Group Net Assets Between Funds

	Tangible Fixed Assets £	Net Current Assets £	Total 31 March 2022 £
Restricted Funds		80,325	80,325
Unrestricted Funds			
General Funds	208,161	1,337,542	1,545,703
Designated Funds		533,245	533,245
Total Funds	208,161	1,951,112	2,159,273
	Tangible Fixed Assets £	Net Current Assets £	Total 31 March 2021 £
Restricted Funds	-	42,421	42,421
Unrestricted Funds			
General Funds	336,203	719,047	1,055,250
Designated Funds	-	293,972	293,972
Total Funds	336,203	1,055,440	1,391,643

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Notes to the Consolidated Financial Statements For the Year Ended 31 March 2022

24 Related Party Transactions

Transactions with subsidiary companies are disclosed in Note 6.

During the year, a total of £6,834 (2021: £Nil) was paid to trustees for artistic services provided.
At the 31 March 2022, £Nil was due to trustees (2021: £3,100).

25 Reconciliation of group net income resources to net cash inflow from group operations

	2022	2021
	£	£
Net incoming resources	767,630	911,771
Theatre tax relief	(88,464)	(27,575)
Depreciation of fixed assets	161,256	167,859
Decrease/(increase) in stock	(3,340)	5,845
(Increase)/decrease in debtors	(125,191)	181,047
Increase/(decrease) in creditors	520,427	(66,992)
Net cash inflow from operating activities	1,232,318	1,171,955

26 Analysis of changes in net funds

	1 April 2021 £	Cash Flows £	31 March 2022 £
Cash at bank and in hand	1,905,909	1,421,109	3,327,018

27 Guarantee

The Charitable Company is limited by guarantee and has no share capital. The members' liability is restricted to £1 each in accordance with the Memorandum and Articles.

28 Fundraising standards information

The charity raises charitable funds in-house and does not engage a professional fund-raiser or commercial participator to carry out these activities. The charity has not bound itself to a voluntary scheme for regulating fund-raising and has not received any complaints with respect to its fund-raising. The charity avoids unreasonable intrusion into a person's privacy, unreasonable persistent approaches and undue pressure on persons in connection with fund-raising.

