

**Frantic  
Theatre  
Company Ltd**

**Trustees' report and  
Financial Statements**

31 March 2021

Company Limited by Guarantee  
Registration Number  
02989694 (England and Wales)

Charity Registration Number  
1113716



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## Reference and administrative details

<b>Charity name</b>	Frantic Theatre Company Ltd
<b>Trading name</b>	Frantic Assembly
<b>Trustees</b>	Mark Hawes (Chair) Matthew Hunnybun Amit Kataria Tina Kokkinos Matthew Littleford Sally Noonan Joanna Read
<b>Artistic Director and Joint CEO</b>	Scott Graham
<b>Executive Director, Joint CEO and Company secretary</b>	Kerry Whelan
<b>Registered office</b>	New Wing Somerset House Strand London, England WC2R 1LA
<b>Company registration number</b>	02989694 (England and Wales)
<b>Charity registration number</b>	1113716
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL

## Reference and administrative details

### Bankers

The Co-operative Bank  
PO Box 250  
Skelmersdale  
WN8 6WT

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME1 4JQ

Virgin Money  
Jubilee House  
Gosforth  
Newcastle Upon Tyne  
NE3 4PL

Saffron Building Society  
57 High Street  
Ware  
Hertfordshire  
SG12 9AD

## Chair's statement 31 March 2021

### Chair's statement

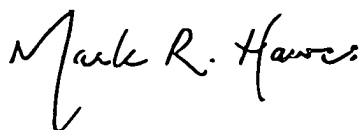
The Covid-19 pandemic has presented an existential challenge to the theatre industry. Live theatre as we knew it stopped owing to lockdowns and social distancing measures. In the case of Frantic Assembly — one of the country's most exciting and genre-defying theatre companies — a national tour of a new production was brought to an abrupt, midway halt; other production plans were skewed; our in-person learning and training activities in schools were suspended, as was our annual, nationwide young persons' talent-development programme, *Ignition*. Yet, ironically, the pandemic generated new opportunities to promote and undertake our work — which we seized.

We adapted and innovated under the banner of *Frantic Digital* to meet a demand for our learning and training offerings to be delivered online rather than in person, benefiting the public and students and teachers. We are immensely proud that this meant that we were able to continue to fulfil our charitable objective of promoting drama even while theatres and schools were closed or operating under social distancing restrictions.

This period of adaptation and innovation also served to inform and accelerate our plans for utilising digital technology — under the banner of *Frantic STUDIO* — to record dramatic productions that utilise the Frantic Method of movement, and, furthermore, to do so in a way that lays bare all aspects of the creative process, for educational and income-generation purposes.

We believe our commitment to inter-connected offerings of theatre production, digital capture of productions and learning and training will help us to continue to expand and strengthen our relationships with theatres, live and online audiences, and teachers and students, and thereby support the recovery and long-term future of theatre as an art form enjoyed in this country and around the world.

We are immensely grateful for the support shown to the company by our funders — Arts Council England and the DCMS Culture Recovery Fund, the Garfield Weston Foundation, the Network for Social Change and numerous individual donors, and also the government through the Coronavirus Job Retention Scheme — by our theatre-partners around the UK, by the artists of Frantic Assembly and the wider creative community, by our supporters among the theatre-going public, by drama teachers and students in the UK and overseas, and by our team of Artistic Director, Scott Graham, and Executive Director, Kerry Whelan, and our dedicated staff and practitioners. With the collective benefit of this support, a cushion of reserves, and Scott's internationally admired artistic vision and creativity, we are able to look to the future with considerable excitement and optimism, and with as much confidence as these times allow.



Mark Hawes

Chair  
Frantic Assembly

## Trustees' report 31 March 2021

The trustees present their report together with the financial statements of Frantic Theatre Company Ltd (trading as Frantic Assembly) for the year ended 31 March 2021.

The report has been prepared in accordance with the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies on pages 27 to 31 of the attached financial statements and comply with the charitable company's Memorandum and Articles of Association, applicable laws and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

### Executive summary

The impact of the Covid-19 pandemic had, and continues to have, a profound effect upon the company and the arts economy and ecology at large. At the start of the pandemic when lockdown was imposed, our touring production of *I Think We Are Alone* had to be terminated half-way through, and all of our face-to-face Learning and Participation work across the world was halted. The company used the 'space' of the initial lockdown to evaluate how we could best continue to maintain, nurture and support all that we had invested in and the values for which the company stands. Consequently, 2020/21 became a period to adapt and innovate — which we did, with considerable success.

Frantic Assembly has always built audiences through engaging people with the creative process, and our relationships with teachers and students are critical to our work. In response to the challenges thrown up by the pandemic, we focused on how we could continue to connect, teach and engage through a digital medium. We also maintained our focus on planning and creating thrilling, energetic, unforgettable, high-quality theatre. We are proud of the fact that rather than standing still, we were able to break significant new ground and to continue to fulfil our charitable objectives of promoting the art of drama even while theatres and schools were closed or subject to social-distancing restrictions. We emerge — with the benefit of new funding — in a strong position with a more diverse, robust and accessible programme of work across our Artistic Production, Digital and Learning and Participation areas of engagement.

### 2020-21 Key Achievements

- The creation of Frantic DIGITAL, a free digital resource designed to share insights into our creative and rehearsal process.
- The development and delivery of online workshops and training opportunities for schools and professional artists including Advanced Teacher training, Introductory training and a Masterclass series.
- The creation of a series of online Teachers' CPD films.
- The development and delivery of online international creative residencies.
- The training of practitioners to deliver workshops and creative residencies online.
- The #WeAreIgnition fundraising and digital awareness campaign.
- The development of two productions for digital capture.
- The inception of Frantic STUDIO – a new online subscription service for schools.

## OBJECTIVES AND ACTIVITIES

The objectives of the charity are to advance education for the public benefit by the promotion of the arts, in particular but not exclusively the art of drama.

Led by Artistic Director Scott Graham and Executive Director Kerry Whelan, Frantic Assembly is an internationally respected company with collaboration and accessibility firmly at its heart. Graham continues to collaborate with some of the most exciting voices in theatre to create new, genre-defying work of the highest quality. Having toured extensively throughout the UK, the company has built an enviable reputation as one of the most exciting theatre companies in the country, and the Frantic Method of devising theatre has helped create work throughout the world. The devising processes at the heart of this creativity are now studied on five of the most widely taught UK and international academic drama syllabuses. Frantic Assembly is also identified as 'one of the key figures in Twentieth Century performance practice,' and as one of 23 theatre makers who have 'transformed the way we understand theatre and performance,' featuring in the new handbook dedicated to the company in the Routledge Performance Practitioners series.

### Our Mission Statement

Frantic Assembly creates thrilling, energetic, unforgettable and high-quality theatre. We target audiences of least-engagement in the UK, as well as attract new audiences internationally, ensuring that contemporary theatre is accessible, relevant and open to communities who may perceive that theatre is not for them.

Our core values, which define both our work and the way we create it, as well as underpin the way we operate as a team, are:

*Collaborative, Authentic, Accessible, Brave, Empowering*

### Core Aims and Objectives

- Create and share high-quality, ambitious, inclusive and relevant cultural experiences across the UK.
- Inspire more people to access and participate in culture, especially those who do not regularly engage or participate.
- Provide accessible and inclusive training and talent development routes for young people who wish to enter the creative industries.
- Work creatively and share knowledge of **The Frantic Method** with emerging companies, theatre makers, teachers, students and other individuals in order to continue to influence the development of contemporary theatre.
- Lead the way in developing a dynamic, environmentally sustainable and thriving sector based on collaboration and connectivity between creative practitioners, educational and local communities.

## REVIEW OF ACTIVITY AND ACHIEVEMENTS

### **Our digital response to the Pandemic**

In 2020, during the first weeks of lockdown, as we assessed what our response and future activity should be, we created a Teachers' Forum formed of educators from across the country, teaching in a diverse range of schools. We listened to their reports of the many challenges they were facing to teach and retain value in their subject. We worked in collaboration with these teachers to hone and develop an online offer that was both meaningful and creative, and responded to concerns expressed regarding access to quality work, authentic engagement and the lowering morale of both teachers and students. The consultations helped us to create Frantic DIGITAL and to develop incipient plans for Frantic STUDIO.

### ***Frantic Digital***

We created Frantic DIGITAL as a way of giving free, immediate and intimate access to the workings of the company. We created 57 films, released over a 10-week period, focusing on the creation of specific Frantic Assembly shows involving previously unseen, behind-the-scenes footage and images, interviews, Q&As, creative tasks and warm-up exercises. Two of the ten weeks focused specifically on our relationship with teachers and the questions of students. Frantic DIGITAL was a tremendous success that supported teachers and students at a time of crisis. It also showed us that we can translate our work and relationships meaningfully into a digital format while, most importantly, adhering to Frantic Assembly's core values.

**"Once again, Frantic Assembly have come up trumps to support the next generation of theatre makers"**

Teacher – Rickmansworth School

We developed our Learning and Participation offer with these values very much in mind. We were naturally concerned that we might lose what makes Frantic Assembly workshops special by delivering them online. However, the creativity and adaptability of the Frantic Method, and the commitment to ensuring that every workshop was transformative for teacher and student alike, helped us to create a high-quality product which will evolve and which we intend to continue to provide after the pandemic has passed.

**"The transition to Zoom was seamless and the fact that the course was adapted to an online format was invaluable. It meant that I could take part where I ordinarily wouldn't have had the same opportunity."**

Online Introductory Training Course participant

Prompted by the response to Frantic DIGITAL, in the summer of 2020 we created a series of four online Teachers' CPD films. We recognised that teachers were struggling to teach drama within Covid limitations, and what was particularly missing was the opportunity to be creative within such limitations. The films focused on text, choreography, direction and the growing use of the camera in a classroom setting. The films were designed to support, invigorate and liberate teachers struggling to find ways to teach the subject they loved. They have also proved to be very successful and have been purchased over 330 times in 20 countries, and viewed over 68,000 times.



## REVIEW OF ACTIVITY AND ACHIEVEMENTS (continued)

### Our digital response to the Pandemic (continued)

#### ***Frantic Studio***

One of the most significant developments of the last year was securing funding from The Garfield Weston Culture Fund to create Frantic STUDIO — a subscription-based platform for schools and colleges focusing on the creation of contemporary devised and collaborative theatre-making, developed and created in collaboration with teachers and education establishments around the world.

The process of building the platform and content will start in 2021, with a scheduled launch in January 2022. Frantic STUDIO will provide high-quality teaching resources and support and insight for the education sector, while generating an ongoing income for the organisation. Frantic STUDIO aims to bridge the gap that can exist between the practicalities of the professional rehearsal room and the realities of the school drama studio.

#### **Learning and participation**

The accessibility of the Frantic Method, our distinctive approach to devising theatre, has empowered and inspired people to participate, educate and collaborate in the art of drama and make ground-breaking new work. As world leaders in devising and collaborative theatre-making, we continually seek to share drama skills through our *Learn and Train* programmes.

Our *Learn Programme* is designed for students in formal education (from GSCE up to Masters level), while our *Train Programme* covers Introductory, Intermediate and Advanced open programmes for the public, professional artists, creatives and teachers.

Our commitment to *Learn and Train* has been liberating the potential of future theatre makers for over 25 years and has engaged people from all walks of life. Our programmes are available in the UK and internationally throughout the year.

As explained above: in spite of the challenges presented by the pandemic, during the year Frantic Assembly continued to provide accessible engagement opportunities for students, the public, teachers and emerging practitioners through online workshops and residencies.

#### ***Learn Programme***

Between September 2020 and March 2021, we delivered 138 workshops in the UK and internationally, working with a total of 1,714 participants. As part of this activity, we delivered workshops with New School (New York), Columbia College (Chicago) and Hamilton College (New York) through online residencies, creating digital work with students who were either working from within their own homes or socially distanced within a drama studio.

## REVIEW OF ACTIVITY AND ACHIEVEMENTS (continued)

### Learning and participation (continued)

#### ***Train Programme***

Our Train programme of Introductory, Intermediate and Advanced courses had to be altered last year and also went online. The online delivery of the programmes meant we were able to expand our offering. We reviewed where the gaps were in our provision and developed an Advanced Teacher Training course for teachers who wanted to delve deeper into Frantic Assembly's methodology, as well as a series of four public masterclasses.

#### ***Ignition***

Although we were unable to deliver our young persons' talent-development programme, Ignition, in 2020, we launched a campaign, #WeAreIgnition, to maintain the profile and raise awareness of the programme as well as to raise funds. A short film was created to capture the heart and essence of Ignition and showcase past graduates. The film was created by our Associate Filmmaker, and Ignition graduate, Michael Lynch. Throughout February 2021, we held an Ignition takeover month of our social media channels (see below). Not only did this show the breadth of careers that our graduates have gone on to pursue, it also acted as a platform for them to showcase their talent.

#### **Other online activities**

In addition to the work created for Frantic DIGITAL and our online workshop offering, we also experimented with streaming events on YouTube for our #WeAreIgnition campaign and a live Frantic Workout hosted by Practitioner Sean Hollands. Collectively, these live digital streams generated 6,820 views on YouTube and allowed us to explore alternative formats of presentation.

As part of the #WeAreIgnition social media takeover, we created four Instagram live sessions featuring workshops, Q&A's and demonstrations to our 23,416 followers.

Most recently, we have started to develop our presence on TikTok and will aim to generate more content for this platform and attract new audiences. We intend to present more digital projects and opportunities through Instagram, YouTube and Tik Tok in the future.

Unfortunately, the planned third series of the Frantic Assembly Podcast could not be created due to limited resources and time and restrictions on travel for guests. However, series 1 and 2 were listened to by 3,331 people in the last year, and we hope to record a third series when it is safe to do so.

Our ambitious Digital output this year allowed us to engage with our existing audience and build awareness of the company and its activities. Despite the suspension of our touring activity during the year, we have seen positive growth in viewings of our output across all our social media channels.

## REVIEW OF ACTIVITY AND ACHIEVEMENTS (continued)

### Other online activities (continued)

Platform	Subscribers 2019/20	Subscribers 2020/21
Facebook	11,000	12,382
Twitter	34,000	34,748
Instagram	19,000	23,416
YouTube	6,260	6,820
Vimeo	154	176
TikTok (new)	-	89

The total number of viewings of our YouTube content for the year was 181,600, with 7,600 viewers of the new content. The total number of viewings of our Vimeo content was 251,656 for the year, with 68,300 viewings of the Teachers' CPD series.

### FINANCIAL REVIEW

The charity's total income for the year was £627,606 (2020 – £827,643). Total expenditure amounted to £421,407 (2020 – 1,057,249). Both income and expenditure were depressed as a result of the social distancing measures arising from the Coronavirus pandemic. The charity's surplus for the year was therefore £206,199 (2020 – deficit of £229,606). When combined with fund brought forward, the charity's total reserves as at 31 March 2021 stood at £593,199 (2020 – £387,000).

The breakdown of funding sources in the year was as follows:

	2020/21	Percentage of total income	2019/20	Percentage of total income
Earned income*	£106,929	17%	£600,048	72%
Donations	£5,433	1%	£6,406	1%
Restricted grants	£200,000	32%	-	-
Arts Council England NPO funding grant	£225,260	36%	£221,189	27%
Coronavirus Job Retention Scheme Grant	£89,984	14%	-	-
<b>Total income</b>	<b>£627,606</b>		<b>£827,643</b>	

\* Earned income includes bank interest of £1,691 (2020 – £2,518) and Theatre Tax Relief of £nil (2020 – £31,688). No productions took place during 2020/21.

## Trustees' report 31 March 2021

### FINANCIAL REVIEW (continued)

#### Investment policy

Under the memorandum and articles of association, the charity has the power to make any investment which the trustees see fit. The charity has a policy of keeping surplus liquid funds in short-term deposits which can be accessed readily.

#### Reserves Policy

The trustees aim to maintain free reserves in unrestricted funds at a level between three and six months of unrestricted charitable expenditure. They consider that this level will ensure that there are sufficient funds available to cover support and governance costs in the event that the Company needed to be wound up. The trustees therefore consider that the ideal level of operational free reserves at 31 March 2021 would therefore be £105,000 to £210,000 for the current year, but £264,000 to £528,000 based on expenditure in a "normal" year, free from the Coronavirus pandemic.

Of the total reserves of £593,199 (2020 – £387,000), £205,284 (2020 – £5,000) was restricted. The significant increase in restricted reserves relates to the recognition of a grant from the Garfield Weston Cultural Fund to develop Frantic STUDIO; the work towards this will take place during 2021/22. Funds amounting to £267,915 (2020 – £261,338) have been designated, or set aside, by the trustees for specific purposes. These purposes and an analysis of the movements on the funds are set out in the notes to the financial statements.

Unrestricted general funds amounted to £120,000 (2020 – £120,662) of which £nil (2020 – £662) constituted tangible fixed assets. Free reserves were therefore £120,000 (2020 – £120,000), which falls within the target level for such reserves mentioned above.

### PLANS FOR THE FUTURE

#### Artistic activity

##### *Touch (working title)*

A devised show for the camera, *Touch*, has been developed for rehearsals and capture in June/July 2021. It is an opportunity to make work in a new way and further hone the skills developed during lockdown. It is a creative outlet for the company and an opportunity to share work on other platforms at a time when touring theatre has not yet returned to a robust position. It is also an opportunity to lay bare the creative devising process for schools and colleges. A diverse cast will also include two Ignition graduates in their first professional performance roles. We are delighted to be making this feature in association with Tea Films, an industry-leading organisation in capturing theatre for film.

##### *Metamorphosis*

Initial exploration is underway on a new production for 2022: *Metamorphosis* will be a new, contemporary adaptation of the Kafka novella. The premise builds around an accusation that changes the perception of the central character Gregor in others' eyes. It unleashes dormant prejudices and fears. As his family turn from him, disgusted, he contemplates what it means to be what they consider him to be. This is a *Metamorphosis* that explores deep-seated tension and prejudice.

## **PLANS FOR THE FUTURE (continued)**

### **Artistic activity (continued)**

#### ***Metamorphosis* (continued)**

This will be a touring production, but with a filmed version created at the same time, as there is no intention to lose all that was learned and gained through our digital exploration in 2020. It is vital that all of that learning helps build a more robust company and arts ecology.

#### ***I Think We Are Alone***

Our last touring production, *I Think We Are Alone* — written by Sally Abbott and co-directed by Scott Graham and Kathy Burke — which was cut short by the pandemic, is being developed for digital capture in autumn 2021. A shooting script, to make the most out of the presentation for the camera, has also been developed. It will be presented as a streamed event in partnership with the venues that missed out on its original tour.

#### ***Research and development***

We have several possible future projects under consideration, including a devised family show, an adaptation of a novel, and a major international new writing collaboration.

#### **Learning and participation**

While we have significantly expanded our digital offerings of learning participation through this period of innovation and development, we look forward to a return to face-to-face workshops.

Our *Learn and Train* programmes will once more be operated across the UK and internationally, delivering schools-based curriculum workshops, bespoke residencies, teacher training and special projects, both online and in person.

#### ***London Southbank University***

We shall be continuing our relationship with London Southbank University with a programme of three, five-day creative residencies with 2nd year performing arts students, culminating in a performance as part of a Company-in-Residence model.

We shall also be delivering a three-week module in January 2022 as part of London Southbank's MA in Creative Performance Practice.

#### ***Sharjah Performing Arts Academy***

In November 2021, two of our Practitioners will be delivering a four-week residency in person at Sharjah Performing Arts Academy in the UAE.

#### ***Dulwich College***

We are working with Dulwich College in South-East and East Asia to develop and deliver an online creative programme for teachers and students for January 2022. This was originally booked as an in-person tour for Spring 2020 but was cancelled owing to Covid. Ongoing travel restrictions required us to reimagine the content for online delivery.

**PLANS FOR THE FUTURE (continued)**

**Learning and participation (continued)**

***Asia Residency Tour 2022***

We plan that our Practitioners will return to South-East Asia in 2022, working with Singapore Repertory Theatre and with schools that were previously booked for the abandoned 2020 tour.

***Australia tour***

Similarly, we hope to resume our planned workshop tour of Australia (cancelled in 2020) in 2022, working with Adelaide State Theatre, Queensland Theatre and an independent school in Perth.

***Ignition***

In 2021, owing to restrictions resulting from the pandemic, we will run a scaled-down version of Ignition, as we build back to full delivery in 2022. This year we will be joined by our two new venue partners, the Lyric Belfast and MAST Southampton, to expand our national reach. Although we will not be delivering the full-scale Ignition with the usual London one-week intensive programme for a selected group of talented young people, culminating in a performance in a theatre before a paying audience, our ambition is, nevertheless, to still deliver a 10-day programme over the October half-term that gives each venue three days of activity and engagement for their local young people. This will be one day of open public workshops followed by a two-day residency for up to 20 young people.

We will be building on the #WeAreIgnition fundraising campaign to secure long-term funding for Ignition for 2022 and beyond.

**Digital and creative media**

We have witnessed the success and impact that Frantic DIGITAL had during the pandemic. We will continue to invest in making work to be shared through Frantic DIGITAL (contained within our website) to make sure that people feel connected to the company and our Frantic Method. The current free provision of Frantic DIGITAL means that no one should feel that finance is a barrier to engagement with us.

The planned Frantic STUDIO offering will serve education in a different way. Frantic STUDIO will be available to schools and colleges across the world through a subscription package.

Our digital presence is more important than ever, and great care is taken to make sure that any digital offer provides, so far as possible, the same transformative experience for participants as our face-to-face work does. It is important that our digital offer complements our live stage work and our Learning and Participation output. It will inspire and empower while presenting work that is brave and authentic.

## PLANS FOR THE FUTURE (continued)

### Creative collaborations

#### *The Curious Incident of the Dog in the Night-Time*

The company continues to provide choreography and movement direction for the National Theatre's production of *The Curious Incident of the Dog in the Night-Time*. Over 2020/21, we have been in discussion with the National Theatre about designing an audition process that opens up access to neurodivergent performers, with the ambition to cast two such performers in the lead role for the next tour.

Casting will take place in July 2021 and rehearsals will start mid-October ahead of a major UK and International tour that will open in London in late November 2021. The rehearsal process also provides specific training opportunities for Frantic Assembly practitioners.

#### The Assembly

The pandemic has meant that The Assembly — a think tank of highly respected industry figures enlisted by Scott Graham to discuss the ambition and vision of the company and its ways of making, presenting and sharing work — has not yet been able to meet formally, in person, as a group, but as individuals they have each made an important contribution to the work and direction undertaken in 2020/21. Many gave their time and support to Frantic DIGITAL or our #WeAreIgnition campaign.

### Partner Hubs

We are currently identifying and connecting with "partner hubs": venues that share our drive for inclusivity and support education, training and aspiration. We have already announced a partnership with MAST in Southampton, making us an associate company of the venue. This allows both parties to develop training and educational opportunities for target demographics and communities. It helps build an audience for our work and crucially creates investment and presentation opportunities for future productions. MAST will also be working with us as a partner on our Ignition programme.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Directors and trustees

The company is a company limited by guarantee registered in England and Wales and a charity registered with the Charity Commission in England and Wales. Its directors are its charity trustees for the purposes of charity law. The trustees serving during the year and since the previous year end were as follows:

Trustee	Appointed/ Resigned
Mark Hawes (Chair)	
Matthew Hunnybun	
Amit Kataria	
Tina Kokkinos	
Matthew Littleford	
Sally Noonan	
Joanna Read	

## **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Directors and trustees (continued)**

#### **Company secretary**

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Kerry Whelan

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### **Governing document**

Frantic Theatre Company Ltd is a charitable company limited by guarantee, incorporated on 14 November 1994 and governed by its Memorandum and Articles of Association. Revised Articles of Association were adopted on 5 February 2014. In the event of the company being wound up the members are required to contribute an amount not exceeding £1. The maximum number of members permitted by the Articles of Association is 10, but the board of trustees may from time to time register an increase in members.

### **Appointment of trustees**

As set out in the Articles of Association, the minimum number of trustees is three and, until otherwise determined by a General Meeting, shall be no more than nine. During 2020/21, the number of trustees was seven. The board of trustees may appoint any member of the company as a member of the board of trustees, either to fill a casual vacancy or by way of addition to the board of trustees. Any member so elected holds office until the next Annual General Meeting, at which time they will be eligible for re-election.

Only members of the company are eligible to hold office as a member of the board of trustees.

The appointment of trustees, the conduct of business, the proceedings of meetings, the management of risk and the general management of the company all took place during the year in accordance with the provisions of the governing documents.

### **Trustees' induction and training**

All new trustees receive an induction pack of information about Frantic Assembly and guidance on their responsibilities as charity trustees and company directors. The induction pack provides information on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and informs them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and the recent financial performance of the charity.

New Trustees are invited to meet with the Executive team and any other staff members as necessary as part of the induction process.



**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Organisation**

The board of trustees administers the company. The board normally meets every quarter but during the pandemic met monthly. The trustees take ultimate legal and financial responsibility for the company while the day-to-day running of the company is delegated to the Executive Team. To facilitate effective operations, the Executive Team has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and artistic performance-related activity.

Frantic Assembly's Executive team comprises Scott Graham, Artistic Director and Joint CEO, and Kerry Whelan, the Executive Director and joint CEO. In 2020/21, the other team members included a full-time Head of Learning and Participation, a Producer, a General Manager, a Learning & Participation Project Manager, a Learning & Participation Coordinator, an Administrator and a part-time Associate Director, Learn & Train.

**Related parties and co-operation with other organisations**

None of our trustees receives remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with a venue, production company, contracted actor, performer, creative, crew member or exhibitor must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Details of related party transactions in the current year are set out in the notes to the accounts.

**Key management personnel and pay policy for senior staff**

The board of trustees, who are the company directors, and the senior management team comprise the key management personnel of the company in charge of directing and controlling, running and operating the company on a day-to-day basis. All trustees give of their time freely, and no trustee received remuneration in the year. The pay of the senior staff who are not trustees is set at the point of recruitment with reference to the national market rate within the cultural economy. In view of the nature of the company, the trustees benchmark against pay levels in other comparable arts organisations run on a voluntary basis. The remuneration benchmark is generally the mid-point of the range paid for equivalent roles in similar organisations. It is reviewed annually and normally increased in line with pay increases for the rest of the organisation.

**Risk management**

The board of trustees have conducted a review of the major risks to which the company is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the company faces. In 2020-21, the major risks were assessed to be the ongoing effect of the pandemic and the timeframe in which 'normal' producing and touring activity could resume and any subsequent impact on the charity's finances. During 2020-21, the organisation made use of all available funding and support it was eligible for. This included the Government Coronavirus Job Retention Scheme and DCMS Culture Recovery Funding (Round 2), which will be received in 2021-22. Strategies are in place to mitigate the risks identified, including robust planning arrangements, internal communication processes, and identification of possible future funding opportunities and co-producing partners.

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Risk management (continued)**

Looking ahead, the major risks we are experiencing include:

**1) Operational**

A major risk is the ongoing uncertainty about the pandemic and when theatres will be able to viably re-open, and when it will be possible to resume touring activities. While we have successfully pivoted to new ways of working, we will need to remain flexible, adaptable and responsive to ongoing developments. Frantic Assembly relies on co-production income to realise our productions. Any loss of such investment may have an impact on the scale at which we are able to create work. We seek to mitigate this risk by developing strong relationships with touring partner venues and establishing a network of hub partners across the UK and internationally.

**2) Economic Uncertainty**

The long-term impact of the pandemic on the United Kingdom economy, and in particular arts funding remains uncertain. The Arts sector has been hit particularly hard. Any downturn in the economy or cuts to statutory funding could limit fundraising sources and the ability for the public to attend performances. This could materially impact Frantic, and we are working hard to mitigate through various methods. The build-up of our reserves over the previous 4-5 years has been of great help during the period of the pandemic when earned income has been significantly reduced. We have been able to protect our remaining reserves during the year by prudent budget management and by generating income through our online activity. We have also been successful in re-inflating some of those reserves lost, owing to the cancelled tour in 2019-20, by securing DCMS Culture Recovery Funding.

**Approach to Fundraising**

Frantic Assembly undertakes fundraising to help support its core artistic and learning and participation work. We raise funds from Trusts and Foundations and receive donations from private individuals.

All of our fundraising is undertaken by staff within the organisation; we do not use commercial participators or professional fundraisers.

As part of our commitment to good practice, we ensure that our fundraising activity is subject to statutory regulations and GDPR. We did not receive any complaints during the year in relation to our fundraising activity.

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Trustees' responsibilities statement**

The Charity's trustees (who are also directors for the purposes of company law) is responsible for preparing the 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period.

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

Each of the trustees confirms that:

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

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

## Trustees' report 31 March 2021

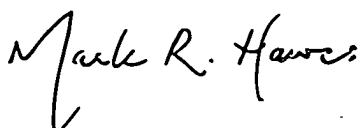
### STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

#### Trustees' responsibilities statement (continued)

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

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Signed on behalf of the trustees:



Mark Hawes  
Chair of Trustees



Amit Kataria  
Trustee

Approved on: 27th July 2021

## **Independent auditor's report 31 March 2021**

### **Independent auditor's report to the members of Frantic Theatre Company Ltd**

#### **Opinion**

We have audited the financial statements of Frantic Theatre Company Ltd (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

#### **In our opinion, the financial statements:**

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

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

## **Independent auditor's report 31 March 2021**

### **Other information**

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

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

We have nothing to report in this regard.

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

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

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

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## Independent auditor's report 31 March 2021

### **Matters on which we are required to report by exception (continued)**

- ♦ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

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

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

### **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:

### ***How the audit was considered capable of detecting irregularities including fraud***

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ♦ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ♦ we identified laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;

## Independent auditor's report 31 March 2021

### Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we focused on specific laws and regulations in the UK and considered which may have a direct material effect on the financial statements or operations of the charitable company, including the Companies Act 2006, data protection legislation, employment, safeguarding principles, health and safety legislation;
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- ◆ the identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to investigate the rationale behind any significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of those charged with governance;
- ◆ enquiring of management as to actual and potential litigation and claims; and
- ◆ reviewing any available correspondence with HMRC and the company's legal advisors.



## Independent auditor's report 31 March 2021

### **Auditor's responsibilities for the audit of the financial statements** (continued)


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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

 14.9.2021

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

**Statement of financial activities** (including an income and expenditure account)  
Year to 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Income from:</b>							
Donations and legacies	1	226,466	204,227	430,693	222,595	5,000	227,595
Charitable activities							
. Operation of a theatre company	2	105,238	—	105,238	597,530	—	597,530
Interest receivable		1,691	—	1,691	2,518	—	2,518
Other Sources							
. Coronavirus Job Retention Scheme		89,984	—	89,984	—	—	—
<b>Total income</b>		<b>423,379</b>	<b>204,227</b>	<b>627,606</b>	<b>822,643</b>	<b>5,000</b>	<b>827,643</b>
<b>Expenditure on:</b>							
Charitable activities							
. Operation of a theatre company	3	417,464	3,943	421,407	1,057,249	—	1,057,249
<b>Total expenditure</b>		<b>417,464</b>	<b>3,943</b>	<b>421,407</b>	<b>1,057,249</b>	<b>—</b>	<b>1,057,249</b>
<b>Net income (expenditure) and net movement in funds</b>	5	<b>5,915</b>	<b>200,284</b>	<b>206,199</b>	<b>(234,606)</b>	<b>5,000</b>	<b>(229,606)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward at 1 April 2020		382,000	5,000	387,000	616,606	—	616,606
Total funds carried forward at 31 March 2021		<b>387,915</b>	<b>205,284</b>	<b>593,199</b>	<b>382,000</b>	<b>5,000</b>	<b>387,000</b>

There were no recognised gains and losses other than those set out in the statement of financial activities above.

All of the charity's income and expenditure derived from continuing activities during the above financial periods.

**Balance sheet** as at 31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible fixed assets	8		—		662
<b>Current assets</b>					
Debtors	9	37,919		172,540	
Cash at bank and in hand		591,246		348,711	
		629,165		521,251	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	10	(35,966)		(134,913)	
<b>Net current assets</b>			593,199		386,338
<b>Total net assets</b>			593,199		387,000
<b>The funds of the charity:</b>					
Restricted income funds	12		205,284		5,000
Unrestricted income funds					
. Designated funds	11		267,915		261,338
. General funds			120,000		120,662
			593,199		387,000

Approved by the trustees  
and signed on their behalf by:

*Mark R. Hawes*

Mark Hawes  
Chair of Trustees

*Amit Kataria*

Amit Kataria  
Trustee

Approved on: 27th July 2021

Frantic Theatre Company Ltd

Company Registration Number: 02989694 (England and Wales)

## Statement of cash flows Year to 31 March 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
Net cash provided by (used in) operating activities	A	<b>240,844</b>	(249,047)
<b>Cash flows from investing activities:</b>			
Interest received		<b>1,691</b>	2,518
<b>Net cash provided by investing activities</b>		<b>1,691</b>	2,518
<b>Change in cash and cash equivalents in the year</b>		<b>242,535</b>	(246,529)
<b>Cash and cash equivalents at 1 April 2020</b>	B	<b>348,711</b>	595,240
<b>Cash and cash equivalents at 31 March 2021</b>	B	<b>591,246</b>	348,711

Notes to the statement of cash flows for the year to 31 March 2021.

### A Reconciliation of net movement in funds to net cash used in operating activities

	2021 £	2020 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>206,199</b>	(229,606)
<b>Adjustments for:</b>		
Depreciation charge	662	1,129
Interest receivable	(1,691)	(2,518)
Decrease (increase) in debtors	134,621	(39,582)
(Decrease) increase in creditors	(98,947)	21,530
<b>Net cash provided by (used in) operating activities</b>	<b>240,844</b>	(249,047)

### B Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	348,711	242,535	<b>591,246</b>
	<u>348,711</u>	<u>242,535</u>	<u><b>591,246</b></u>

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	595,240	(246,529)	348,711
	<u>595,240</u>	<u>(246,529)</u>	<u>348,711</u>

The principal accounting policies and notes on pages 27 to 39 form part of these statutory financial statements.

## **Principal accounting policies Year to 31 March 2021**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Basis of preparation**

These financial statements have been prepared for the year to 31 March 2021 with comparative information given in respect to the year ended 31 March 2020.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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

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

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

### **Critical accounting estimates and areas of judgement**

The most significant areas of adjustment and key assumptions that affect items in the financial statements are in respect to:

- ◆ Assessing the useful economic lives of tangible fixed assets for the purpose of determining the annual depreciation charge;
- ◆ Determining the degree to which provisions are required in respect of bad and doubtful debts; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern.

With respect to the next reporting period, the the future impact of the ongoing Coronavirus pandemic remains the most significant area of uncertainty that may affect the carrying estimation of the Charity's future income (and expenditure) flows.

### **Going concern**

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

## **Principal accounting policies Year to 31 March 2021**

### **Going concern (concern)**

The Trustees and Executive have prepared detailed cash flow forecasts and budgets that support the going concern basis of these financial statements. COVID-19 has had a significant impact on the creative sector resulting in the cancellation of the charity's touring production and learn and train work following implementation of the first lockdown in March 2020, although Learn and Train work recommenced in a reduced capacity during the year.

The uncertain economic outlook and willingness of the public to purchase admission and theatre tickets is a significant area of financial uncertainty which the trustees have mitigated by reviewing the artistic programme and taken measures subsequent to the year-end to reduce operating costs.

The Trustees remain in regular contact with Arts Council England and have successfully obtained an extension of the current funding cycle for a further year.

The charity has adequate cash reserves which are being actively monitored and managed and the trustees believe that these actions have secured the immediate future of the charitable company for 12 to 18 months from the balance sheet date and that on this basis the charity is a going concern.

Therefore, the trustees are of the opinion that the Charity has planned carefully in order to meet its liabilities as they fall due and, whilst they acknowledge that there will be challenges ahead, they are of the opinion that the use of the going concern assumption in the preparation of these financial statements is appropriate.

### **Income recognition**

Income is recognised in the period in which the Charity is entitled to receipt, the amount can be measured reliably and it is probable that the income will be received. Income is deferred only when the Charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations and grants, income from charitable activities, interest receivable and income from the Government's Coronavirus Job Retention scheme.

Donations are recognised when the Charity has confirmation of both the amount and settlement date.

In accordance with the Charities SORP, the value of services provided by volunteers has not been included.

Grants, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

## **Principal accounting policies Year to 31 March 2021**

### **Income recognition (continued)**

Grants from government, other agencies and voluntary bodies have been included as income from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Income from charitable activities represents the income from touring productions and the charity's Learn & Train educational activities, the sale of programs and merchandise, and royalties receivable and excludes Value-Added Tax. Income received in advance of theatrical performances or provision of educational services is deferred until the relevant performance or provision of the relevant services has taken place. Trading income from the sale of programs and merchandise during touring productions is recognised on receipt. Royalties are recognised when receivable under the terms of the relevant royalty agreement.

Interest in funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from the Coronavirus Job Retention Scheme is credited to the statement of financial activities when the Charity is entitled to receive the funds and when the amount receivable can be quantified.

### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the expenditure on charitable activities.

- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include staff costs, direct and support costs including governance costs.

### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

## Principal accounting policies Year to 31 March 2021

### **Allocation of support and governance costs (continued)**

Support and governance costs are allocated directly to expenditure on charitable activities as it is considered that any apportionment to represent expenditure on raising funds would be immaterial.

### **Tangible fixed assets**

Individual fixed assets with an estimated economic life of more than twelve months and a cost of over £1,000 are capitalised at cost.

Depreciation is provided at the following annual rates on a straight line basis in order to write off each asset over its estimated useful life:

- ♦ Fixtures and equipment – 33⅓% on cost

### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

### **Creditors and provisions**

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

### **Fund structure**

The unrestricted general funds comprise those monies which may be used towards meeting the charitable objectives of the Charity and may be applied at the discretion of the trustees.



## **Principal accounting policies Year to 31 March 2021**

### **Fund structure (continued)**

The designated funds are monies set aside out of general funds for specific purposes by, and at the discretion of, the trustees.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

### **Leased assets**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

### **Pension costs**

Contributions to defined contribution pension schemes and to employees' personal pension plans are charged to the statement of financial activities in the year in which they are payable.

### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

### **Taxation**

Frantic Theatre Company Ltd is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The Finance Act 2014 introduced Theatre Tax Relief which allows the company to claim a payable tax credit against a percentage of allowable production expenditure incurred. Theatre tax relief is credited to the Statement of Financial Activities based on productions undertaken in the year which meet the criteria for relief and is shown within income from charitable activities, as detailed in note 2.

**Notes to the financial statements 31 March 2021**

**1 Donations and legacies**

	Unrestricted funds £	Restricted funds £	2021 Total funds £
Arts Council England – NPO grant	225,260	—	225,260
Garfield Weston Cultural Fund	—	200,000	200,000
Donations	1,206	4,227	5,433
<b>2021 Total funds</b>	<b>226,466</b>	<b>204,227</b>	<b>430,693</b>

	Unrestricted funds £	Restricted funds £	2020 Total funds £
Arts Council England – NPO grant	221,189	—	221,189
Donations	1,406	5,000	6,406
<b>2020 Total funds</b>	<b>222,595</b>	<b>5,000</b>	<b>227,595</b>

**2 Income from charitable activities**

	Unrestricted funds £	Restricted funds £	2021 Total funds £
Co-production income and touring fees	—	—	—
Learn and Train	94,703	—	94,703
Sale of programs and merchandise	1,468	—	1,468
Royalties	7,205	—	7,205
Sundry other income and reimbursements	1,862	—	1,862
<b>2021 Total funds</b>	<b>105,238</b>	<b>—</b>	<b>105,238</b>

	Unrestricted funds £	Restricted funds £	2020 Total funds £
Co-production income and touring fees	182,188	—	182,188
Learn and Train	341,911	—	341,911
Sale of programs and merchandise	10,202	—	10,202
Royalties	26,801	—	26,801
Theatre tax relief	31,688	—	31,688
Sundry other income and reimbursements	4,740	—	4,740
<b>2020 Total funds</b>	<b>597,530</b>	<b>—</b>	<b>597,530</b>

## Notes to the financial statements 31 March 2021

### 3 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	2021 Total funds £
Staff costs (note 7)	320,552	—	320,552
Creatives, cast, crew and practitioner fees	27,995	—	27,995
Travel, accommodation and subsistence	946	—	946
Production costs, including Learn and Train	10,718	3,943	14,661
Royalties and Commissions	400	—	400
Venue Hire	1,100	—	1,100
Training	255	—	255
Support and governance costs (note 4)	55,498	—	55,498
<b>2021 Total funds</b>	<b>417,464</b>	<b>3,943</b>	<b>421,407</b>

	Unrestricted funds £	Restricted funds £	2020 Total funds £
Staff costs (note 7)	327,967	—	327,967
Creatives, cast, crew and practitioner fees	195,364	—	195,364
Travel, accommodation and subsistence	94,267	—	94,267
Production costs, including Learn and Train	286,583	—	286,583
Royalties and Commissions	15,364	—	15,364
Venue Hire	32,866	—	32,866
Training	2,952	—	2,952
Support and governance costs (note 4)	101,886	—	101,886
<b>2020 Total funds</b>	<b>1,057,249</b>	<b>—</b>	<b>1,057,249</b>

**Notes to the financial statements** 31 March 2021

**4 Support and governance costs**

	Unrestricted funds £	Restricted funds £	2021 Total funds £
<b>Support costs</b>			
Printing, postage, stationery and advertising	45	—	45
Bank charges	818	—	818
Depreciation	662	—	662
Equipment	235	—	235
Subscriptions	2,068	—	2,068
Storage	5,346	—	5,346
Office costs	28,166	—	28,166
Telephone and internet	2,102	—	2,102
Insurance	3,033	—	3,033
IT	2,363	—	2,363
Sundry expenditure	2,100	—	2,100
	46,938	—	46,938
<b>Governance costs</b>			
Auditor's fees	7,100	—	7,100
Professional fees	1,460	—	1,460
	8,560	—	8,560
<b>2021 Total funds</b>	<b>55,498</b>	<b>—</b>	<b>55,498</b>
	Unrestricted funds £	Restricted funds £	2020 Total funds £
<b>Support costs</b>			
Printing, postage, stationery and advertising	1,933	—	1,933
Bank charges	1,127	—	1,127
Depreciation	1,129	—	1,129
Website redesign	20,019	—	20,019
Equipment	3,116	—	3,116
Subscriptions	1,549	—	1,549
Storage	12,596	—	12,596
Recruitment	600	—	600
Bad debts	1,059	—	1,059
Office costs	31,102	—	31,102
Telephone and internet	3,998	—	3,998
Insurance	5,181	—	5,181
IT	2,220	—	2,220
Sundry expenditure	11,207	—	11,207
	96,836	—	96,836
<b>Governance costs</b>			
Auditor's fees	4,000	—	4,000
Professional fees	1,050	—	1,050
	5,050	—	5,050
<b>2020 Total funds</b>	<b>101,886</b>	<b>—</b>	<b>101,886</b>

## Notes to the financial statements 31 March 2021

### 5 Net income (expenditure) and net movement in funds

This is stated after charging:

	Total 2021 £	Total 2020 £
Staff costs (note 7)	320,552	327,967
Auditor's remuneration		
. Statutory audit services	5,950	3,000
. Taxation services	—	1,000
. Other services	1,150	—
Depreciation	662	1,129
Operating lease rentals	29,616	21,230

### 6 Taxation

Frantic Theatre Company Ltd is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The Finance Act 2014 introduced Theatre Tax Relief which allows the company to claim a payable tax credit against a percentage of allowable production expenditure incurred. Theatre tax relief is credited to the Statement of Financial Activities based on productions undertaken in the year which meet the criteria for relief and is shown within income from charitable activities, as detailed in note 2.

### 7 Staff costs and trustee remuneration

	2021 £	2020 £
Wages and salaries	290,510	291,911
Social security costs	21,001	26,858
Pension costs	9,041	9,198
	320,552	327,967

No employees received remuneration in excess of £60,000 during the year (2020 – none).

The charity trustees received no remuneration from the charity during the year (2020 – £Nil), nor were they reimbursed expenses during the year (2020 – £Nil). No trustee received payment for professional or other services supplied to the charity.

The key management personnel of the charity comprise the trustees, Executive Director and Artistic Director. The total employee benefits received by the key management personnel of the charity, including employer's pension contributions and employer's National Insurance contributions, amounted to £121,524 (2020 – £119,137).

## Notes to the financial statements 31 March 2021

### 7 Analysis of staff costs and trustee remuneration and expenses (continued)

#### Staff numbers

The average number of employees (including casual and part time staff) during the year was:

	2021 Number	2020 Number
Charitable activities	6	7
Administration	3	3
	<u>9</u>	<u>10</u>

### 8 Tangible fixed assets

	Fixtures and equipment £
<b>Cost</b>	
At 1 April 2020 and 31 March 2021	<u>31,401</u>
<b>Depreciation</b>	
At 1 April 2020	30,739
Charge for year	662
At 31 March 2021	<u>31,401</u>
<b>Net book values</b>	
At 31 March 2021	<u>—</u>
At 31 March 2020	<u>662</u>

### 9 Debtors

	2021 £	2020 £
Trade debtors	9,090	13,636
Other debtors	9,857	104,011
Corporation tax	—	31,688
VAT recoverable	4,388	7,334
Prepayments	14,584	15,871
	<u>37,919</u>	<u>172,540</u>

## Notes to the financial statements 31 March 2021

### 10 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	372	33,567
Short term compensated absences (holiday pay)	—	5,573
Other creditors and accruals	9,123	68,983
Deferred income	22,469	21,839
Social security and other taxes	4,002	4,951
	<b>35,966</b>	<b>134,913</b>

Deferred income comprises advance payments received for workshops and residencies cancelled due to COVID-19:

	2021 £	2020 £
At 1 April 2020	21,839	11,500
Amount released to income from charitable activities	—	(11,500)
Amount deferred in year	630	21,839
At 31 March 2021	<b>22,469</b>	<b>21,839</b>

### 11 Designated funds

	At 1 April 2020 £	New designations £	Utilised/ released £	At 31 March 2021 £
<b>Designated funds</b>				
Future productions fund	162,037	85,878	—	247,915
Learning and Participation fund	37,541	—	(27,541)	10,000
Organisational development fund	61,760	—	(51,760)	10,000
	<b>261,338</b>	<b>85,878</b>	<b>(79,301)</b>	<b>267,915</b>

	At 1 April 2019 £	New designations £	Utilised/ released £	At 31 March 2020 £
<b>Designated funds</b>				
Future productions fund	395,514	—	(233,477)	162,037
Learning and Participation fund	37,541	—	—	37,541
Organisational development fund	61,760	—	—	61,760
	<b>494,815</b>	<b>—</b>	<b>(233,477)</b>	<b>261,338</b>

The **Future productions fund** represents funds set aside for the creation of future touring productions.

The **Learning and Participation fund** has been set aside for the development of educational activities, including Learn and Train programmes.

**11 Designated funds (continued)**

The **Organisational Development Fund** represents funds set aside to support future investment in the charity's organisational capacity.

**12 Restricted funds**

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Ignition fund	5,000	4,227	(3,943)	—	5,284
Frantic Studio fund	—	200,000	—	—	200,000
	<b>5,000</b>	<b>204,227</b>	<b>(3,943)</b>	<b>—</b>	<b>205,284</b>

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
<i>Ignition fund</i>	—	5,000	—	—	5,000
	<b>—</b>	<b>5,000</b>	<b>—</b>	<b>—</b>	<b>5,000</b>

The **Ignition fund** represents funds restricted to support the delivery of online activity relating to Ignition, our nationwide talent development programme for young people aged 16-24.

The **Frantic Studio fund** represents a grant received from the Garfield Weston Cultural Fund to support the creation on an online subscription platform for schools and the digital capture of content and resources to support the study of drama and physical theatre.

**13 Analysis of net assets between funds**

	General funds £	Designated funds £	Restricted funds £	Total £
<b>Year ended 31 March 2021</b>				
Cash at bank and in hand	118,047	267,915	205,284	<b>591,246</b>
Other net current assets	1,953	—	—	<b>1,953</b>
	<b>120,000</b>	<b>267,915</b>	<b>205,284</b>	<b>593,199</b>

	General funds £	Designated funds £	Restricted funds £	Total £
<i>Year ended 31 March 2020</i>				
<i>Tangible fixed assets</i>	662	—	—	662
<i>Cash at bank and in hand</i>	82,373	261,338	5,000	348,711
<i>Other net current assets</i>	37,627	—	—	37,627
	<b>120,662</b>	<b>261,338</b>	<b>5,000</b>	<b>387,000</b>



**14 Related party transactions**

During the year, payments of £1,460 were made to Bristows LLP for legal costs associated with trademark resignation. Mark Hawes, a trustee, was a Partner/ Member of Bristows LLP until 31 December 2020. The charity received a discount of 20% on the cost of the legal work provided.

During the year, the trustees made aggregate donations to the charity of £398 (2020 – £5,000).

**15 Leasing commitments**

The future minimum operating lease commitments are as follows:

	2021 £	2020 £
<b>Land and buildings</b>		
Within one year	24,677	29,616
Between one and two years	—	30,346
	<b>24,677</b>	<b>59,962</b>

**16 Ultimate Control and liability of members**

The charitable company is under the control of the board of trustees and no individual is a person of significant control.

The Charity is constituted as a company limited by guarantee. In the event of the Charity being wound up, members are each required to contribute an amount not exceeding £1.