

THEATRE FOR A CHANGE LIMITED
(A charitable company limited by guarantee)

Report and Financial Statements

Year ended 31 March 2022

Charity No. 1104458
Company No. 04913606

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Report of the directors for the year ended 31 March 2022

The directors are pleased to present their report, together with the financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Theatre for a Change Limited is a company limited by guarantee without share capital and governed by its Memorandum and Articles of Association. Charity no: 1104458. Company no: 4913606.

Directors

The directors serving during the year and since the year end were as follows:

G Bates
A Bardelli Danieli (appointed 21st September 2021)
K Chaston (Chair)
J Feather (resigned 29th March 2022)
A-M Harris
E Levendoglu (resigned 22nd June 2021)
L Millward
J Misomali (appointed 21st September 2021)
M Montgomery
V Rae (appointed 27th September 2021)
T Williams

Secretary

L Bridger

Registered Office

Africa House, 70 Kingsway, London, WC2B 6AH

Independent Auditor

Greenback Alan LLP 89 Spa Road, London SE16 3SG

Bankers

National Westminster Bank plc

Solicitors

Mishcon de Reya, Africa House, 70 Kingsway, London WC2B 6AH

Structure, Governance and Management

Governing documents

Theatre for a Change Limited is a company limited by guarantee (No. 4913606) incorporated 26 September 2003. Its governing documents are the Memorandum and Articles of Association.

Directors

The directors listed on page 1 served throughout the period except as noted. Directors may be elected by the Board to serve until the next annual general meeting or by the members in general meeting.

Appointment and training of directors

When recruiting new directors, the Board looks for individuals with skills and experience that are of value to the company and which may not already be held by existing directors. Potential directors are interviewed by the Chair and the Executive Director and are provided with an organisational information pack.

Prior to appointment all Board members have a three-month probationary period, during which they are expected to attend a board meeting. They will be provided with further information about Theatre for a Change and their responsibility and liability as director. Where appropriate, the company supports specific training of directors.

Organisation

The focus of this report is Theatre for a Change Limited (TfaC UK), a United Kingdom charity. Our international partner, Theatre for a Change Malawi, is a legally independent separate company with its own constitution, management committee and audited accounts.

UK staff:

Fiona Morrell, Executive Director
Heather Knight, Head of Grants
Ryan Borcharding, Head of Methodology and Training

UK Board of directors:

Gerald Bates, Director, BDO LLP
Andrea Bardelli Danieli, Head of Marketing and Communications, General Medical Council
Kay Chaston, Consultant (Chair)
Anne-Marie Harris, Consultant
Michelle Montgomery, Business Affairs Manager, Adidas
Louise Millward, Trusts and Grants Manager, Womankind
Jeffrey Misomali, Associate Director, The Power of Nutrition
Victoria Rae, Charity Consultant
Teohna Williams, Deputy Head of Office, UN Peacekeeping DRC

Registered Office: c/o Mishcon de Reya, Africa House, 70 Kingsway, London WC2B 6AH.

The Board meets once per quarter, and is facilitated by the Executive Director. Support for legal matters is given on a pro bono basis by Mishcon de Reya and the independent auditor, also on a pro bono basis, is Greenback Alan LLP.

Objectives and Activities

The Memorandum of Association includes the Objects of TfaC UK:

"1. The advancement of the education and health of marginalised communities in the UK and abroad by the use of performing arts including but not limited to the arts of drama, mime, dance, singing and music; and

2. such other charitable purposes as the directors at their absolute discretion shall decide."

The directors have had regard to the Charity Commission's guidance on public benefit.

During 2021 - 2022, TfaC UK reflected upon and revised their organisational vision, mission and objectives as part of the development of their new five-year organisational strategy. The statements below align with our new vision, mission and objectives going forwards.

OUR VISION

Our vision is of an equal world, where everyone has choice and control over their bodies and can use their voices freely and without fear

OUR MISSION

Our mission is to improve the sexual and reproductive health and rights of women and girls* who have been marginalised, using participatory learning and drama.

**TfaC includes in its definition, any person who identifies as a woman or a girl.*

ORGANISATIONAL OBJECTIVES

1. Innovate, evidence and package our unique methodology, so that it is recognised and sought as an impactful approach for transforming unequal gender power dynamics.
 2. Build and strengthen balanced and supportive partnerships with organisations in the Global South that improve the sexual and reproductive health and rights of women and girls who have been marginalised.
 3. Create spaces for women and girls who have been marginalised to influence national and global decision makers, so that their sexual and reproductive health and rights are prioritised.
-

Achievements and performance - April 2021 - March 2022

The global context of the Covid-19 pandemic, the impact of climate change and economic pressures continue to challenge the organisation; yet, despite these, we are proud of the resilience and creativity shown by the team, and their determination to continue to deliver high quality, impactful programmes.

During the course of the year, TfaC UK developed and published a five-year organisational strategy and supported TfaC Malawi to do the same. These strategies provide a clear direction for the organisations until 2026. At the heart of these strategies are our core

values, and our intent to support women and girls who are structurally marginalised to improve their sexual and reproductive health and rights. To achieve our mission, TfaC will continue to use our innovative participatory learning and theatre-based approach, placing the experience and expertise of our participants at the centre of everything we do.

The year has also seen us continue to adopt new approaches to ensure our programmes can be delivered safely, including online training and monitoring. We have created new partnerships and expanded our geographical reach. We continue to prioritise robust management and financial procedures, providing the highest levels of transparency and quality to our supporters, board, staff and the women and girls we serve.

Theatre for a Change UK

2021- 2022 saw the return of Fiona Morrell to take on the role of Executive Director of Theatre for a Change, following her earlier work with the organisation from 2012 - 2018. Fiona spent much of her year working hand in hand with the staff team, board, participants and stakeholders to understand the current needs and opportunities for the organisation and develop and publish a bold five-year organisational strategy.

The New Partnership Programme continues to support the training of local facilitators and organisations in our unique methodological approach, so that together we can reach and impact greater numbers of women and girls to improve their sexual and reproductive health and rights. Over the course of the year, the New Partnerships Programme worked with Africa Check to train teams in interactive radio drama in Senegal and Nigeria in an intervention funded by Google News Initiative. Each team delivered over 30 radio dramas, focusing on combating myths and misinformation surrounding Covid-19 and the Covid-19 vaccination. The project was delivered online by trainers based in the UK and US and allowed us to continue testing and honing our ability to provide remote, cost-effective and safe training.

We have also continued to build our partnership with the International Planned Parenthood Federation (IPPF) and in May 2022 we look forwards to training the IPPF local organisation based in Palestine to use interactive radio drama to address issues of gender-based violence.

Theatre for a Change Malawi (TfaC Malawi)

We are now midway through our five year Leave No Girl Behind project, funded by the UK Foreign, Commonwealth and Development Office (FCDO), and delivered in partnership with Link Education International, Supreme Pads, CUMO Microfinance Limited and CGA Technologies. The project focuses on supporting 5,000 highly marginalised out of school girls and boys in three districts in Malawi to access inclusive education, including sexual and reproductive health support and services, and vocational opportunities. During the year 1,816 learners successfully graduated from the programme and a further 1,500 learners were enrolled. The project continued to use a mixed approach of face-to-face delivery and online support dependent upon the risks of the Covid-19 pandemic.

We continued our partnership with the Medicor Foundation to deliver innovative approaches to improving sexual and reproductive health and rights education in teacher training colleges and primary schools. The project was supported by the use of the Interactive Radio Drama Programme in order to maximise impact with the resources available. Trained teachers graduated to deliver activities for children within our Leave No Girl Behind project.

TfaC Malawi also continued their long-standing collaboration with the German Government in Malawi (GIZ) working in the Southern Region of Malawi to prevent and respond to sexual and gender-based violence in schools and in communities. The project, providing direct funding to TfaC Malawi, focused on districts that are most affected by heavy storms and flooding and where residents find themselves displaced and / or severely affected by the changing climate.

TfaC Malawi continue to provide direct sexual and reproductive health care to women and girls who struggle to access static health services. These include women working as sex workers in Lilongwe and adolescent girls at risk of experiencing sexual exploitation. The clinic also reached the male clients and partners of women in sex work. The clinic also provides services to pre-service teachers and out of school girls and boys in the Leave No Girl Behind and Medicor projects.

Theatre for a Change in Ghana

Theatre for a Change UK continued to support The Women of Dignity Alliance (WODA) with funding from UK donors, and with management and strategic advice. This year this included supporting WODA to develop and disseminate a three-year organisational strategic plan, as well as apply for and access direct funding from donors.

WODA's work continues to have a significant impact on the sexual and reproductive health and rights of women in sex work. The year saw WODA pilot a new project aimed at building its members entrepreneurial and vocational skills, as well as an increased recognition of WODA's work within Ghana and the international sex work community.

The Year Ahead

As we start to recover from the immediate impact of the Covid-19 pandemic we now begin to assess and understand the long term and significant impact that the pandemic has had, and will continue to have, on the mental and physical health, rights and livelihoods of many of the women and girls we work with. As a result, this year will see us prioritising the urgent needs of the most vulnerable and marginalised women and girls in the contexts we work, and actively collaborating with other organisations and movements to ensure our programmes are holistic and sustainable. The year ahead will also see us continuing to strengthen our own organisational practices, innovate and share our methodological approach, and build a stronger and more diverse funding base.

This business plan for 2022-23 will use the newly defined organisational strategic objectives as a framework for its focus:

Objective 1: Innovate, evidence and package our unique methodology, so that it is recognised and sought as an impactful approach for transforming unequal gender power dynamics.

Objective 2: Build and strengthen balanced and supportive partnerships with organisations in the Global South that improve the sexual and reproductive health and rights of women and girls who have been marginalised.

Objective 3: Create spaces for women and girls who have been marginalised to influence national and global decision makers, so that their sexual and reproductive health and rights are prioritised.

Fundraising activities of TfaC UK

Funding sources

Anonymous foundations and individuals

The Charles Hayward Foundation

The Foreign Commonwealth and Development Office

The Evan Cornish Foundation

The Medicor Foundation

The Mercury Phoenix Trust

The Oak Foundation

Charitable activities

The directors' sincere thanks also go to those individuals who have supported TfaC UK by making donations, as well as to the many people who have volunteered their time and expertise to help the organisation during the year.

CONCLUSION

This has been a year of significant change for Theatre for a Change, with a new Executive Director, Fiona Morrell, taking on the role from Patrick Young, the founder of the organisation. It has been a time of reflection, critically examining how we can ensure all our work is impactful, cost-effective and sustainable, and our organisational culture and practices are thoughtful and supportive.

We have continued to deliver programmes across four countries, adapting to ongoing restrictions and challenges, whilst putting the needs of the women and girls we serve front and centre. We have demonstrated flexibility, creativity and resilience and look forwards on building on these attributes as we begin the exciting implementation of our new five-year organisational strategy.

Financial review

During the year under review, the total income was £1,067,206 (2021: £873,761) and the expenditure was £899,555 (2021: £747,643).

The Memorandum of Association prohibits the payment of any dividends.

Investment powers and policy

The Memorandum of Association allows the company to invest in those securities and property as the directors think fit.

Reserves policy and going concern

During the year the Trustees reviewed the reserves policy. Given the uncertainty regarding the economic climate as a result of the COVID-19 pandemic and world events, the Trustees decided to increase the policy to maintain the level of reserves equivalent to six rather than three months. The requirement increased to £110,996.

The total amount of unrestricted funds held in reserve at year end is £112,093 (2021: £105,931). This is a strong position for the organisation, and one that will help to underpin its sustainability.

The restrictions on these funds are that they are to be used only when there is insufficient funding of core costs. The directors must be informed as soon as the reserves are being used. The funds are not held in any commitments or fixed assets but are held as cash and are available for use as and when the need arises.

For the year ended 31 March 2022, the company's total funds stood at £438,027 (2021: £270,376) of which £325,934 (2021: £164,445) are restricted funds.

The directors have reviewed the circumstances of Theatre for a Change Limited and consider that adequate resources continue to be available to fund the activities of the charitable company for the foreseeable future. The directors continue to be aware that recent changes to the Department for International Development, now the Foreign, Commonwealth and Development Office, have led to cuts in some project funding. The management team have developed mitigating strategies to reduce any impact of potential future cuts.

The directors have reviewed the plans and are of the view that the charitable company is a going concern.

Risk management

Risk management is a key aspect of the charity's good governance and management. Over the course of the year, the organisation has focused on strengthening its risk management practises. This has included the development and approval by Board of a Risk Management Policy; an organisational review and creation of a new risk register, assessed quarterly by the Board; and the development of due diligence review documents to help us better assess risk within partnerships and projects. In addition, we have formed a Financial, Audit and Risk Management Committee comprising three Trustees, the Finance and Executive Director who meet on a quarterly basis to scrutinise potential risks to the organisation and the strength of mitigation plans.

The organisation understands the seven principle areas of risks to be:

- Governance risks
- Operational risks
- Programmatic risks
- Fiduciary risks
- Reputational risks
- Environment / External risks
- Compliance risks

The current key risks identified relate to acquisition of new funding, due to the uncertain funding environment for development organisations. We will continue to prioritise the diversification and growth of the organisation's income.

Directors' responsibilities in relation to the financial statements

The directors are responsible for preparing a directors' annual report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including the Charities SORP Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the charitable company's affairs and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing the financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the directors are aware at the time of approving our directors' annual report:

- there is no relevant audit information, of which the charitable company's auditor is unaware, and
- the directors, have taken all the steps that he/she ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

By order of the directors:



K Chaston (Chair)
Date: 21 June 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THEATRE FOR A CHANGE LIMITED

Opinion

We have audited the financial statements of Theatre for a Change Limited (the 'Company') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 the Charities SORP Financial Reporting Standard 102, the 'Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable Company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

Opinion 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors 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 directors' report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 8, the directors 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 directors 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 directors are responsible for assessing the 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 directors either

intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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:

Based on our understanding of the company and the sector in which it operates, we identified the principle risks of non-compliance with laws and regulations related to charitable companies and the application of charitable funds. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities SORP (FRS 102).

Through enquiry of management we gained an understanding of their relevant laws and regulations; the entity's policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We understand that the company complies with the framework through having in place robust procedures and policies and by outsourcing and taking external professional legal, tax and accounting advice on relevant specialist functions and areas.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation or error in the calculation of deferred and accrued income leading to the overstatement or understatement of net income;
- Manipulation or error in the classification of income leading to the under or overstatement of unrestricted or restricted funds.
- Manipulation or error in the use of funds leading to expenditure which is not in accordance with the charitable company's objectives.

The procedures we carried out to gain sufficient appropriate audit evidence in the above areas included:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Identifying and testing journal entries.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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 Company and the Company's members for our audit work, for this report, or for the opinions we have formed.



Ian Rowe (Senior statutory auditor)
for and on behalf of
Greenback Alan LLP
Chartered Accountant
Statutory Auditor
89 Spa Road
London
SE16 3SG

Date: **22 June 2022**

Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2022

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
		£	£	£	£
Income:					
Grants and donations	2	10,288	993,840	1,004,128	867,793
Earned from charitable activities	3	63,078	-	63,078	5,968
Total income		<u>73,366</u>	<u>993,840</u>	<u>1,067,206</u>	<u>873,761</u>
Expenditure:					
Expenditure on charitable activities	4	54,905	832,351	887,256	736,046
Costs of raising funds: Fundraising costs of grants and donations	4	12,299	-	12,299	11,597
Total expenditure		<u>67,204</u>	<u>832,351</u>	<u>899,555</u>	<u>747,643</u>
Net income/(expenditure) and net movement in funds for the year		6,162	161,489	167,651	126,118
Reconciliation of funds					
Total funds brought forward		<u>105,931</u>	<u>164,445</u>	<u>270,376</u>	<u>144,258</u>
Total funds carried forward		<u>112,093</u>	<u>325,934</u>	<u>438,027</u>	<u>270,376</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.
2021 comparative analysis of funds - see note 15.

The notes on pages 16 to 24 form part of these financial statements.

Balance Sheet as at 31 March 2022

	Notes	2022 £	2021 £
Current assets			
Debtors	8	231,879	247,854
Cash at bank and in hand	9	<u>578,130</u>	<u>453,587</u>
		810,009	701,441
Current liabilities			
Creditors falling due within one year	10	<u>(256,423)</u>	<u>(183,438)</u>
Net current assets		<u>553,586</u>	<u>518,003</u>
Non current liabilities			
Creditors due after more than one year	11	<u>(115,559)</u>	<u>(247,627)</u>
Total assets less current liabilities		<u>438,027</u>	<u>270,376</u>

The funds of the charity:

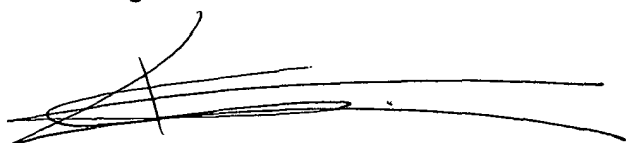
Unrestricted income funds	12/13	112,093	105,931
Restricted income funds	12/13	<u>325,934</u>	<u>164,445</u>
Total charity funds		<u>438,027</u>	<u>270,376</u>

The directors have prepared the charitable company's financial statements in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the directors on 21 June 2022 and signed on their behalf by:

Signed K Chaston

Name: KAY CHASTON, Chair of directors
Registered number: 04913606



The notes on pages 16 to 24 form part of these financial statements.

Statement of cash flows for the year ended 31 March 2022

	2022	2021
	£	£
Net cash flows from operating activities:		
Net (expenditure)/ income for the reporting period as per the statement of financial activities	167,651	126,118
Increase in debtors	15,975	(30,677)
(Decrease)/increase in creditors	(59,083)	172,391
	<hr/>	<hr/>
Net cash provided by (used in) operating activities and change in reporting period	124,543	267,832
Cash and cash equivalents at the beginning of the reporting period	453,587	185,755
	<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period	<u>578,130</u>	<u>453,587</u>

The notes on pages 16 to 24 form part of these financial statements.

**Notes forming part of the financial statements
for the year ended 31 March 2022**

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

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 (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Theatre for a Change Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Income recognition policies

Income including consultancy fees is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

c) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Notes forming part of the financial statements (continued)
for the year ended 31 March 2022

d) Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs associated with attracting voluntary income and those incurred in trading activities that raise funds.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

e) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, office costs and governance costs which support the Charity's activities.

f) Taxation

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

g) Fund accounting

Funds held by the charity are either:

- *Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the directors.
- *Designated funds* - these are funds set aside by the directors out of unrestricted general funds for specific future purposes or projects.
- *Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Notes forming part of the financial statements (continued)
for the year ended 31 March 2022

h) Creditors and provisions

Creditors and provisions are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party once the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

i) Financial instruments

The charitable company 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 bank loans which are subsequently measured at amortised cost using the effective interest method.

j) Going concern

Following an assessment by the directors, they are of the view that the charitable company is able to continue as a going concern and the accounts have been prepared on this basis.

2. Grants and donations

	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Anonymous donors		172,747	172,747		170,961	170,961
Foreign, Commonwealth and Development Office		506,082	506,082		474,142	474,142
The Evan Cornish Foundation		7,500	7,500		7,000	7,000
Medicor Foundation		236,325	236,325		158,675	158,675
Mercury Phoenix	-	30,000	30,000	-	15,000	15,000
The Oak Foundation	-	37,750	37,750	-	19,250	19,250
Government grant	-	-	-	10,000	-	10,000
Donated services	7,000		7,000	6,500		6,500
Donations	<u>3,288</u>	<u>3,436</u>	<u>6,724</u>	<u>3,665</u>	<u>2,600</u>	<u>6,265</u>
	<u>10,288</u>	<u>993,840</u>	<u>1,004,128</u>	<u>20,165</u>	<u>847,628</u>	<u>867,793</u>

Notes forming part of the financial statements (continued)
for the year ended 31 March 2022

3. Earned from charitable activities	2022	2021
	£	£
License fees	<u>63,078</u>	<u>5,968</u>

4. Analysis of expenditure

	Raising funds	Charitable activities £	Governance £	Support £	Total 2022 £	Total 2021
Grants payable to Malawi	-	577,354	-	-	577,354	503,385
Grants payable to Ghana	-	42,816	-	-	42,816	30,473
Staff costs (see note 7)	9,617	152,387	5,273	-	167,277	143,799
Direct costs	158	56,388	-	-	56,546	26,642
Finance	-	-	7,000	26,311	33,311	24,935
Strategic review	-	-	6,250	-	6,250	-
Exchange loss	-	-	-	-	-	2,380
Office rent	-	-	-	3,177	3,177	9,708
General office costs	-	-	-	12,824	12,824	6,321
	<u>9,775</u>	<u>828,945</u>	<u>18,523</u>	<u>42,312</u>	<u>899,555</u>	<u>747,643</u>
Support costs	1,170	41,142	-	(42,312)	-	-
Governance costs	<u>1,354</u>	<u>17,169</u>	<u>(18,523)</u>	-	-	-
Total expenditure 2022	<u>12,299</u>	<u>887,256</u>	-	-	<u>899,555</u>	-
Total expenditure 2021	<u>11,597</u>	<u>736,046</u>	-	-	-	<u>747,643</u>

Support and Governance costs are allocated on the basis of staff costs.

Expenditure on charitable activities was £887,256 (2021: £736,046) of which £832,351 (2021: £734,318) was restricted and £54,905 (2021: £1,227) was unrestricted.

5. Grants payable in furtherance of the charity's objects

	2022	2021
	£	£
Theatre for a Change Malawi	577,354	503,385
The Women of Dignity Alliance	42,816	30,473
	<u>620,170</u>	<u>533,858</u>

Theatre for a Change Malawi audited financial statements are available from the British Council, PO Box 30222, Capital City, Lilongwe 3, Malawi.

Notes forming part of the financial statements (continued)
for the year ended 31 March 2022

6. Employees

There were three full time UK and overseas based employees during the year (2021: 3).

7. Analysis of staff costs and directors' remuneration and expenses

	2022 £	2021 £
Salaries	150,673	129,145
Social security costs	10,265	9,685
Pension costs	<u>6,339</u>	<u>4,969</u>
Total cost	<u>167,277</u>	<u>143,799</u>

One member of staff is paid using an Employer of Record arrangement to ensure all local taxes are paid appropriately.

No employees had remuneration in excess of £60,000 in either 2022 or 2021.

Directors were not paid or received any other benefits from employment with the company in the year, neither were they reimbursed expenses during the year for travel expenses (2021: nil). No director received payment for professional or other services supplied to the company (2021: nil).

8. Debtors

	2022 £	2021 £
Prepayments and accrued income	203,686	244,799
Other debtors	<u>28,193</u>	<u>3,055</u>
	<u>231,879</u>	<u>247,854</u>

Other debtors includes an amount of £25,200 due from Theatre for a Change Malawi.

9. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>578,130</u>	<u>453,587</u>

Notes forming part of the financial statements (continued)
for the year ended 31 March 2022

10. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	8,135	-
Accruals	6,476	8,161
Deferred income	105,667	172,747
FCDO mobilisation grant	132,068	-
Other creditors	1,087	-
PAYE and NIC liabilities	<u>2,990</u>	<u>2,530</u>
	<u>256,423</u>	<u>183,438</u>

11. Creditors: amounts falling due after one year

	2022 £	2021 £
FCDO mobilisation grant	<u>115,559</u>	<u>247,627</u>

The above amount of £115,559 plus £132,068 included in creditors falling due within one year represents monies loaned in respect of the FCDO grant via Link Community Development International (LINK). The term of the grant covers five years from August 2018 to 2023 and the loan is due to be repaid in instalments during the last year.

12a. Analysis of charitable funds

	Balance at 31 Mar 2021 £	Incoming resources £	Resources expended £	Balance at 31 Mar 2022 £
Analysis of unrestricted fund movements				
General fund	<u>105,931</u>	<u>73,366</u>	<u>(67,204)</u>	<u>112,093</u>
Analysis of restricted fund movements				
Malawi fund	55,889	722,268	(686,425)	91,732
Ghana fund	2,260	98,825	(58,434)	42,651
New Partnerships Programme	<u>106,296</u>	<u>172,747</u>	<u>(87,492)</u>	<u>191,551</u>
Total restricted funds	<u>164,445</u>	<u>993,840</u>	<u>(832,351)</u>	<u>325,934</u>

The Malawi and Ghana funds were established after gifts were received to further the development of projects in Africa.

The New Partnerships Programme funds work to transfer our methodology onto an on line learning platform.

Notes forming part of the financial statements (continued)
for the year ended 31 March 2022

12b. Analysis of charitable funds - comparative

	Balance at 31 Mar 2020	Incoming resources	Resources expended	Balance at 31 Mar 2021
	£	£	£	£
Analysis of unrestricted fund movements				
General fund	<u>93,123</u>	<u>26,133</u>	<u>(13,325)</u>	<u>105,931</u>
Analysis of restricted fund movements				
Malawi fund	22,913	654,944	(621,968)	55,889
Ghana fund	28,222	21,723	(47,685)	2,260
New Partnerships Programme	<u>-</u>	<u>170,961</u>	<u>(64,665)</u>	<u>106,296</u>
Total restricted funds	<u>51,135</u>	<u>847,628</u>	<u>(734,318)</u>	<u>164,445</u>

The Malawi and Ghana funds were established after gifts were received to further the development of projects in Africa.

The New Partnerships Programme funds work to the transfer our methodology onto an on line learning platform.

13a. Analysis of net assets between funds

	General fund 2022	Restricted funds 2022	Total 2022
	£	£	£
Cash at bank	130,782	447,348	578,130
Net current liabilities	(18,689)	(5,855)	(24,544)
Long term liabilities	<u>-</u>	<u>(115,559)</u>	<u>(115,559)</u>
	<u>112,093</u>	<u>325,934</u>	<u>438,027</u>

**Notes forming part of the financial statements (continued)
for the year ended 31 March 2022**

13b. Analysis of net assets between funds - comparative

	General fund 2021 £	Restricted funds 2021 £	Total 2021 £
Cash at bank	113,567	340,020	453,587
Net current assets	(7,636)	72,052	64,416
Long term liabilities	-	(247,627)	(247,627)
	<u>105,931</u>	<u>164,445</u>	<u>270,376</u>

14. Legal status of the company

The charity is a company limited by guarantee and has no share capital, incorporated in the United Kingdom and registered in England & Wales. Every member of Theatre for a Change undertakes to contribute to the assets of Theatre for a Change in the event of a winding-up while he/she is a member, or within one year after he/she ceases to be a member, for payment of the liabilities of Theatre for a Change contracted before he/she ceases to be a member, such amounts as may be required not exceeding £1.

Notes forming part of the financial statements (continued)
for the year ended 31 March 2022

15. Statement of Financial Activities - comparative for the year ended 31 March 2021:

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2021
		£	£	£
Income:				
Grants and donations	2	20,165	847,628	867,793
Earned from charitable activities	3	5,968	-	5,968
Total income		<u>26,133</u>	<u>847,628</u>	<u>873,761</u>
Expenditure:				
Expenditure on charitable activities		1,728	734,318	736,046
Costs of raising funds: Fundraising costs of grants and donations		11,597	-	11,597
Total expenditure	4	<u>13,325</u>	<u>734,318</u>	<u>747,643</u>
Net income/(expenditure) and net movement in funds for the year		12,808	113,310	126,118
Reconciliation of funds				
Total funds brought forward		<u>93,123</u>	<u>51,135</u>	<u>144,258</u>
Total funds carried forward		<u>105,931</u>	<u>164,445</u>	<u>270,376</u>